



**Audited Balance Sheet
and
Statement of Profit & Loss Account
for the Year 2015-16
(Standalone and Consolidated)**

**GAYATRI PROJECTS LIMITED
CERTIFIED TRUE COPY**

For **GAYATRI PROJECTS LTD.**


(I.V.LAKSHMI)

Company Secretary & Compliance officer

GAYATRI PROJECTS LIMITED
BALANCE SHEET AS AT 31st MARCH, 2016

Particulars	Note No.	As at 31st March, 2016	As at 31st March, 2015
₹ in Lakhs			
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share capital	3	3,545.04	3,022.70
(b) Reserves and surplus	4	<u>80,322.25</u>	<u>65,231.05</u>
		83,867.29	68,253.75
(2) Non-current liabilities			
(a) Long-term borrowings	5	97,197.13	92,715.38
(b) Deferred Tax Liabilities (net)	6	2,308.89	2,876.25
(c) Other Long term liabilities	7	62,711.66	49,721.61
(d) Long-Term provisions	8	<u>894.56</u>	<u>694.21</u>
		1,63,112.24	1,46,007.45
(3) Current liabilities			
(a) Short-term borrowings	9	89,021.38	79,178.76
(b) Trade payables	10	41,801.40	44,561.16
(c) Other current liabilities	11	10,013.35	12,752.99
(d) Short term provisions	12	<u>862.79</u>	<u>463.44</u>
		1,41,698.92	1,36,956.35
Total		<u><u>3,88,678.45</u></u>	<u><u>3,51,217.55</u></u>
II. ASSETS			
(1) Non-current assets			
(a) Fixed assets - Tangable Assets	13	22,686.19	20,812.12
(b) Non-Current Investments	14	1,18,177.03	94,677.03
(c) Long term loans and advances	15	51,026.05	51,041.04
(d) Other Non- Current Assets	16	<u>-</u>	<u>21,851.46</u>
		1,91,889.27	1,88,381.65
(2) Current assets			
(a) Current Investments	17	-	71.79
(b) Inventories & Work in progress	18	15,488.43	24,202.29
(c) Trade receivables	19	78,766.06	57,183.35
(d) Cash and cash equivalents	20	18,004.94	14,515.83
(e) Short term loans and advances	21	84,303.83	66,731.96
(f) Other Current Assets	22	<u>225.92</u>	<u>130.68</u>
		1,96,789.18	1,62,835.90
Total		<u><u>3,88,678.45</u></u>	<u><u>3,51,217.55</u></u>
Significant Accounting Policies	2		
Other Notes forming part of the Financial Statements	31		

As per our Report attached
For M O S & Associates LLP
Chartered Accountants

For and on behalf of the Board

S.V.C.Reddy
Partner

T. Indira Subbarami Reddy
Chairperson
DIN : 00009906

T.V. Sandeep Kumar Reddy
Managing Director
DIN : 00005573

Place: Hyderabad
Date: 30th May 2016

P. Sreedhar Babu
Chief Financial Officer

I.V.Lakshmi
Company Secretary
& Compliance Officer



GAYATRI PROJECTS LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2016

Particulars	Note No.	₹ in Lakhs	
		For the year ended 31st March, 2016	For the year ended 31st March, 2015
I. Revenue			
(a) Revenue from operations	23	1,81,221.25	1,60,114.16
(b) Other Income	24	659.89	439.21
Total Revenue		1,81,881.14	1,60,553.37
II. Expenses			
(a) Consumption of Materials and Cost of Purchases & Services	25	50,574.16	58,338.78
(b) Work Expenditure	26	91,329.40	74,744.65
(c) Changes in Inventories of Work in Progress	27	5,643.82	(588.37)
(d) Employee benefits expenses	28	4,206.24	3,632.82
(e) Finance costs	29	15,792.93	14,867.18
(f) Depreciation and amortization expense	13	3,747.47	2,820.08
(g) Other Expenses	30	3,521.69	3,229.37
Total Expenses		1,74,815.71	1,57,044.51
III. Profit/ (Loss) before Exceptional & Extraordinary items and Tax (I-II)			
IV. Exceptional items		7,065.43	3,508.86
V. Profit/(Loss) before Extraordinary items and Tax			
VI. Extraordinary items		7,065.43	3,508.86
VII. Profit/(Loss) before Tax			
VIII. Tax Expenses		7,065.43	3,508.86
(a) Current Tax - paid (Refer Note No.31.18)		1,767.94	1,439.18
(b) Deferred Tax (Net)		(567.35)	(135.64)
IX Profit for the year		5,864.84	2,205.32
X. Earning per Share (of Rs.10/- each):			
Basic & Diluted		17.50	7.30
Significant Accounting Policies	2		
Other Notes forming part of the Financial Statements	31		

As per our report attached
For M O S & Associates LLP
 Chartered Accountants

For and on behalf of the Board

S.V.C.Reddy
 Partner

T. Indira Subbarami Reddy
 Chair person
 DIN : 00009906

T.V. Sandeep Kumar Reddy
 Managing Director
 DIN : 00005573

Place: Hyderabad
 Date: 30th May 2016

P. Sreedhar Babu
 Chief Financial Officer

I.V.Lakshmi
 Company Secretary
 & Compliance Officer



GAYATRI PROJECTS LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2016

₹ in Lakhs

Particulars	For the year ended 31st March 2016	For the year ended 31st March 2015
A Cash Flow from Operating Activities:		
Profit before Tax excluding extraordinary and exceptional items	7,065.43	3,508.86
Adjustments for:		
Depreciation and amortization	3,747.47	2,820.08
Interest and other Income	(659.89)	(439.21)
Loss on sale of Fixed Assets	-	214.47
Finance Costs	15,746.74	14,573.91
Foreign Currency Translation and Transactions - ECB	46.19	293.27
Other non-cash items/ Provisions	202.73	(43.57)
Operating Profit before working Capital Changes	26,148.67	20,927.81
Adjustments for:		
(Increase) / Decrease in Trade Receivables	(23,231.25)	9,859.69
(Increase) / Decrease in long term loans and Advances	14.99	(7,401.84)
(Increase) / Decrease in Short term loans and Advances	(17,571.87)	(29,540.35)
(Increase) / Decrease in Other current assets	(95.24)	(43.73)
(Increase) / Decrease in Inventory	8,713.86	(449.28)
Increase / (Decrease) in other current liabilities	(1,072.44)	405.09
Increase / (Decrease) in other Long Term liabilities	12,990.05	(11,431.03)
Increase / (Decrease) in Trade Payables	(2,759.76)	5,997.19
Cash (used in) / generated from Operating activities	3,137.01	(11,676.45)
Direct Taxes paid	(1,767.94)	(1,439.18)
Net Cash (used in)/ generated from Operating Activities	1,369.07	(13,115.63)
B Cash Flow from Investing Activities		
Purchase of fixed assets including capital working progress	(5,621.54)	(957.46)
Purchase of Non-Current Investments	-	(117.00)
Investments in Mutual Funds	71.79	117.77
Proceeds from sale of Fixed Assets	-	250.05
Interest and other income received	659.89	439.21
Net Cash (used in)/ generated from Investing Activities	(4,889.86)	(267.43)
C Cash Flow from Financing Activities		
Proceeds from issue of Share Capital including share premium	10,644.21	-
Redemption of Debentures	(2,927.84)	(712.16)
Net Proceeds from Long term borrowings	7,195.68	11,498.35
Net Proceeds from Short term borrowings	9,842.62	12,793.93
Finance Costs	(17,200.03)	(14,918.21)
Foreign Currency Translation and Transactions loss paid	(46.19)	(293.27)
Dividend & Dividend Tax paid	(498.55)	(604.54)
Net Cash (used in)/ generated from Financing Activities	7,009.90	7,764.10
Net Increase / (Decrease) in cash and cash equivalents (A+B+C)	3,489.11	(5,618.96)
Cash and Cash Equivalents at the beginning of the year	14,515.83	20,134.79
Cash and Cash Equivalents at the end of the year	18,004.94	14,515.83

- a Cash & Cash Equivalents consist of Cash on hand and balances with banks includes Margin Money Deposits for Bank Guarantees of ` 12556.51 lakhs (Previous Year ` 9017.02 lakhs).
- b The cash flow statement is prepared in accordance with the indirect method as stated in Accounting Standard 3 issued by ICAI on "Cash Flow Statements" and presents cash flows by Operating, Investing and Financing activities
- c Figures in brackets represent cash outflows.
- d The Accompanying Notes and other explanatory information form an integral part of the Financial Statements.

As per our Report attached
For M O S & Associates LLP
Chartered Accountants

For and on behalf of the Board

S.V.C.Reddy
Partner

T. Indira Subbarami Reddy
Chair person

T.V. Sandeep Kumar Redd
Managing Director

Place: Hyderabad
Date: 30th May 2016

P. Sreedhar Babu
Chief Financial Officer

I.V.Lakshmi
Company Secretary
& Compliance Officer



2.17 Operating cycle for current and non-current classification

Operating cycle for the business activities of the Company covers the duration of the specific project/contract/product line/service including the defect liability period, wherever applicable and extends up to the realisation of receivables (including retention monies) within the agreed credit period normally applicable to the respective lines of business.

2.18 Cash Flow Statement

Cash Flow Statement is prepared segregating the cash flows from operating, investing and financing activities. Cash flow from operating activities is reported using indirect method. Under the indirect method, the net profit is adjusted for the effects of:

- i. transactions of a non-cash nature
- ii. any deferrals or accruals of past or future operating cash receipts or payments and
- iii. items of income or expense associated with investing or financing cash flows

Cash and cash equivalents (including bank balances) are reflected as such in the Cash Flow Statement. Those cash and cash equivalents which are not available for general use as on the date of Balance Sheet are also included under this category with a specific disclosure.

2.19 Cash and Cash Equivalents

Cash and cash equivalents include cash, bank balances, fixed deposits, margin money deposits, earmarked balances with banks and other bank balances which have restrictions on repatriation. Short term and liquid investments being not free from more than insignificant risk of change in value, are not included as part of cash and cash equivalents.

Amounts in the financial statements are presented in ₹ lakhs, except for per share data and as otherwise stated.



3. Share Capital

Particulars	As at 31st March, 2016		As at 31st March, 2015	
	Number of shares	₹ in Lakhs	Number of shares	₹ in Lakhs
(i) Authorised Share Capital				
Equity shares of ₹ 10/- each	8,00,00,000	8,000.00	8,00,00,000	8,000.00
(ii) Issued Share Capital				
Equity shares of ₹ 10/- each	3,54,50,380	3,545.04	3,02,26,994	3,022.70
(iii) Subscribed and fully paid up Share Capital				
Equity shares of ₹ 10/- each	3,54,50,380	3,545.04	3,02,26,994	3,022.70
Total	3,54,50,380	3,545.04	3,02,26,994	3,022.70

3(b) Terms / Rights, Preferences and restrictions attached to Equity Shares:

The company has only one class of shares referred to as equity shares having a par value of ₹ 10/-. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting

The Board of Directors have recommended dividend of ₹ 2/- per equity share in their meeting held on 30th May, 2016, subjected to approval of the shareholders in the ensuing Annual General Meeting (For the year ended 31st March, 2015 : ₹ 1.00 per equity share).

3 (c) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	As at 31st March, 2016		As at 31st March, 2015	
	Number of shares	₹ in Lakhs	Number of shares	₹ in Lakhs
<u>Equity shares of ₹ 10/- each with voting rights</u>				
At the beginning of the period	3,02,26,994	3,022.70	3,02,26,994	3,022.70
Add: Shares issued during the year	52,23,386	522.34	-	-
Outstanding at the end of the period	3,54,50,380	3,545.04	3,02,26,994	3,022.70

3 (d) Details of shares held by the holding company, the ultimate holding company, their subsidiaries and associates: Nil

3 (e) Details of shares held by each shareholder holding more than 5% shares:

Particulars	As at 31st March, 2016		As at 31st March, 2015	
	Number of shares held	% holding	Number of shares held	% holding
Equity shares of ₹ 10/- each with voting rights:				
Indira Subbarami Reddy Tikkavarapu	1,14,25,900	32.23	1,06,30,932	35.17
Sandeep Kumar Reddy Tikkavarapu	54,03,962	15.24	45,79,544	15.15
GMO Emerging Markets Fund	33,80,000	9.53	-	-
Afrin Dia	28,20,000	7.95	28,20,000	9.33
India Max Investment Fund Limited	23,57,000	6.65	23,57,000	7.80
GMO Emerging Domestic Opportunities Fund	21,10,969	5.95	20,39,278	6.75



5 Long-term borrowings

₹ in Lakhs

Particulars	As at 31st March, 2016		As at 31st March, 2015	
	Non- Current	Current	Non-Current	Current
Secured				
(i) Non-Convertible Debentures				
Nil (31st March, 2015: 208) 11.50% Redeemable, Non-Convertible Debentures (NCDs) of Rs. 10,00,000/- each	-	-	-	2,927.84
ii) Term Loans from Banks				
a. Equipment Loans (Refer note 5.1)	1,949.75	1,091.03	56.03	1,560.38
b. Other Term Loans (Refer note 5.2)	76,814.71	3,810.00	70,774.17	520.83
c. External Commercial Borrowings (Refer note 5.3)	11,792.05	620.63	13,510.27	-
iii) Term Loans from others				
a. Equipment Loans (Refer note 5.1)	6,448.91	250.58	5,074.91	982.64
b. Vehicle Loans (Refer note 5.4)	39.61	8.41	-	2.87
Un-secured				
From Directors (Interest Free Loans) (Refer Note 5.6)	152.10	-	3,300.00	-
Total	97,197.13	5,780.65	92,715.38	5,994.56

5.1 Equipment Loans

The Equipment loans are secured by hypothecation of specific equipments acquired out of the said loans and all these loans are guaranteed by directors. The rate of interest on these loans varies between 11% to 15%.

5.2 Term loans

The secured term loans are secured by hypothecation of construction equipments not specifically charged to other banks, immovable properties of group companies and personal guarantees of the promoters. The rate of interest varies between 11% to 13% with an average yield of 12.04% p.a.

5.3 External Commercial Borrowing:

Details of External Commercial Borrowings

The Company availed Foreign Currency Loan of USD \$ 24.42 million from an Indian Scheduled Bank to meet a part of funds requirement towards redemption of outstanding FCCBs. The ECB loan is repayable in 24 quarterly installments commencing from October 2013 with rate of interest at 3 months USD LIBOR+500bps.

Nature of Security

- Equitable mortgage of immovable property of 600 acres in the name of step down subsidiary company.
- Pledge of unencumbered equity shares of promoters in Gayatri Projects Ltd.
- Personal guarantee of the two promoter directors.

5.4 Vehicle Loans:

The Vehicle loans availed are secured by hypothecation of specific vehicles purchased out of the said loans. The vehicle loans carry interest rate between 11% to 15% p.a.

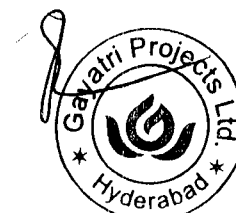
5.5 Maturity Profile of long term borrowings is set out below:

₹ in Lakhs

Particulars	2017-18	2018-19	2019-20	2020-21 onwards
Equipment loans from Banks	1,392.00	557.75	--	--
Term Loans from Banks	7,303.97	8,906.30	10,220.80	50,383.62
ECB Loan	993.02	993.02	993.02	8,813.01
Equipment loans from Others	332.57	1,256.05	2,591.97	2,307.93

5.6 The promoters have brought back the dividend amount of ₹ 152.10 Lakhs as unsecured loan in compliance of the lenders stipulation for distribution of dividend to share holders.

5.7 Current Maturities of long term borrowings have been disclosed under the head "Other Current Liabilities" (Refer Note - 11).



4. Reserves & Surplus		₹ in Lakhs	
Particulars	As at 31st March, 2016	As at 31st March, 2015	
(a) Capital Reserve			
Opening balance	143.40	143.40	
Add : Additions to Reserve during the year	-	-	
Closing balance	<u>143.40</u>	<u>143.40</u>	
(b) General Reserve			
Opening balance	10,500.00	10,000.00	
Add: Amount transferred from DRR	1,300.00		
Add: Amount transferred from Statement of Profit and Loss	500.00	500.00	
Closing balance	<u>12,300.00</u>	<u>10,500.00</u>	
(c) Securities Premium Account			
Opening balance	25,400.19	25,400.19	
Add: Premium received on Shares issued during the year	10,121.87	-	
Closing balance	<u>35,522.06</u>	<u>25,400.19</u>	
(d) Debenture Redemption Reserve			
Opening balance	1,300.00	1,300.00	
Amount transferred to General Reserve	(1,300.00)	-	
Closing balance	<u>-</u>	<u>1,300.00</u>	
(e) Surplus / (Deficit) in Statement of Profit and Loss			
Opening balance	27,887.46	26,730.03	
Add : Surplus / (Deficit) for the year	5,864.84	2,205.32	
Amount available for Appropriation	<u>33,752.30</u>	<u>28,935.35</u>	
Less: Appropriations			
Dividend and Dividend Tax (Prev.Year)	42.16	-	
Dividend and Dividend Tax	853.35	353.64	
Adjustment relating to Fixed Assets	-	194.25	
Transferred to General Reserve	500.00	500.00	
Closing balance	<u>32,356.79</u>	<u>27,887.46</u>	
Total (a+b+c+d+e)	<u>80,322.25</u>	<u>65,231.05</u>	

6. Deferred Tax Liabilities (Net)		₹ in Lakhs	
Particulars	As at 31st March, 2016	As at 31st March, 2015	
(a) Deferred Tax (Asset) on timing Differences due to:			
Provision for Gratuity and Leave Encashment	(70.16)	(8.27)	
(b) Deferred Tax Liability on timing differences due to:			
Depreciation	2,379.05	2,884.52	
Total	<u>2,308.89</u>	<u>2,876.25</u>	

7. Other Long-Term Liabilities		₹ in Lakhs	
Particulars	As at 31st March, 2016	As at 31st March, 2015	
(a) Advances from Contractees	55,951.41	42,572.22	
(b) Margin Money Deposits received	6,760.25	7,149.39	
Total	<u>62,711.66</u>	<u>49,721.61</u>	

8. Long-Term Provisions		₹ in Lakhs	
Particulars	As at 31st March, 2016	As at 31st March, 2015	
Employee Benefits (Refer Note No.31.5)	894.56	694.21	
Total	<u>894.56</u>	<u>694.21</u>	



9. Short Term Borrowings		₹ in Lakhs	
Particulars	As at 31st March, 2016	As at 31st March, 2015	
Secured Working Capital Facilities (Refer Note No.9.1)	89,021.38	79,178.76	
Total	89,021.38	79,178.76	

Nature of Security and Terms of Repayment

9.1 Working Capital Facilities (Secured)

The working capital facilities from the consortium of Banks are secured by:

- Hypothecation against first charge on stocks, book debts and other current assets of the Company both present and future ranking *paripassu* with consortium banks.
- Hypothecation against first charge on all unencumbered fixed assets of the Company both present and future ranking *paripassu* with consortium banks.
- Equitable mortgage of properties belonging to promoters, directors, group companies.
- Personal guarantee of promoter directors, group companies/firms and relatives.

Period and amount of interest due as on balance sheet date:

- Interest amount of ₹ 8.28 crores for the month of March, 2016 charged on 31.03.2016 is due as on Balance Sheet date.

10. Trade Payables:		₹ in Lakhs	
Particulars	As at 31st March, 2016	As at 31st March, 2015	
(a) Micro, Small and Medium Enterprises (refer Note No.31.11)	-	-	
(b) Others	41,801.40	44,561.16	
Total	41,801.40	44,561.16	

11. Other current liabilities		₹ in Lakhs	
Particulars	As at 31st March, 2016	As at 31st March, 2015	
(a) Current maturities of Long Term Borrowings			
- Non Convertible Debentures	-	2,927.84	
- Term Loans	5,780.65	3,066.72	
(b) Interest accrued but not due on Borrowings - NCD's	-	42.67	
(c) Interest accrued and due on Borrowings	828.37	2,238.99	
(d) Unpaid Dividends	4.34	5.43	
(e) Remuneration payable to Directors	109.69	109.11	
(f) Statutory Payables	642.84	1,799.07	
(g) Other Payables	2,647.46	2,563.16	
Total	10,013.35	12,752.99	

12. Short-Term Provisions		₹ in Lakhs	
Particulars	As at 31st March, 2016	As at 31st March, 2015	
(a) Employee Benefits (Refer Note No.31.5)	9.44	7.06	
(b) Provision for Dividend	709.01	302.27	
(c) Provision for Dividend Distribution Tax	144.34	154.11	
Total	862.79	463.44	



₹ in Lakhs

13. Statement of Fixed Assets and Depreciation & Amortisation

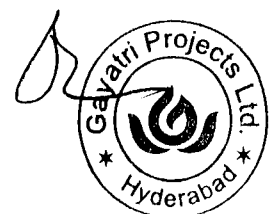
Particulars	Original Cost		Depreciation and Amortization			Net Book Value			
	As at April 1, 2015	Additions/Adjustment during the year	Deductions/Retirement during the year	As at March 31, 2016	As at April 1, 2015	For the Year	Deductions/Adjustment during the year	As at March 31, 2016	As at March 31, 2015
i) Tangible Assets									
Land	35.12	-	-	35.12	-	-	-	35.12	35.12
Plant and Equipment	37,124.16	5,138.47	4,266.69	37,995.94	22,306.75	3,128.46	4,266.69	16,827.42	14,817.41
Wind Power Equipment	5,936.86	-	-	5,936.86	1,144.01	263.95	-	4,528.90	4,792.85
Furniture and Fixtures	404.88	12.38	90.08	327.18	269.06	31.48	90.08	116.72	135.82
Vehicles	2,702.27	470.69	248.64	2,924.32	1,671.35	323.58	248.64	1,178.03	1,030.92
Total	46,203.29	5,621.54	4,605.41	47,219.42	25,391.17	3,747.47	4,605.41	22,686.19	20,812.12



14. Non-current investments	₹ in Lakhs	
	As at 31st March, 2016	As at 31st March, 2015
Non-Trade investments (valued at cost unless stated otherwise)		
Unquoted		
A. Investment in Subsidiary Companies		
(i) 12,50,000 (Previous Year 12,50,000) Equity Shares of ₹ 10/- each, fully paid in Gayatri Infra Ventures Ltd., (Refer note 14.1)	12,532.38	12,532.38
(ii) 65,24,030 (Previous year 65,24,030) Equity Shares of ₹ 10/- each, fully paid in Gayatri Energy Ventures Pvt. Ltd., (Refer note 14.2)	63,983.28	63,983.28
(iii) 25,500 (Previous Year 25,500) Equity Shares of ₹ 10/- each, fully paid in Bhandara Thermal Power Corporation Ltd. (Refer note 14.3)	2.55	2.55
(iv) 1,00,00,843 (Previous year 1,00,00,843) Equity Shares of Rs.10/- each, fully paid in Sai Maatarani Tollways Ltd. (Refer note 14.4)	18,016.03	18,016.03
B. Investment in Associate Companies		
(i) 12,07,000 (Previous Year 37,000) Equity Shares of Rs.10/- each, fully paid in HKR Roadways Ltd. (Refer note 14.5)	120.70	120.70
(ii) 49,000 (Previous Year 49,000) Equity Shares of Rs.10/- each, fully paid in Balaji Highways Holdings Pvt. Ltd.,	4.90	4.90
(iii) 16,660 (Previous Year 16,660) Equity Shares of Rs.10/- each, fully paid in Indore Dewas Tollways Ltd., (Refer note 14.6)	1.67	1.67
C. Other Investments		
Un-quoted - at Cost		
2,35,00,000 (Previous year Nil) 9% non- Convertible redeemable cumulative preferential Shares of Rs.10/- each, fully paid in Gayatri Hitech Hotels Ltd. (Refer note 31.17)	23,500.00	-
Quoted - at Cost		
(i) 11,63,607 (Previous Year 11,63,607) Equity Shares of Rs.10/- each in Gayatri Sugars Ltd., (Refer note 14.7)	293.10	293.10
(ii) 1,728 (Previous Year 1,728) Equity Shares of Rs.10/- each in Syndicate Bank Ltd.,	0.86	0.86
Less: Provision for diminution in value of Investment (Refer note 14.7)	(278.44)	(278.44)
Total	1,18,177.03	94,677.03

Details of Quoted and Unquoted Investments:

Particulars	₹ in Lakhs	
	As at 31st March, 2016	As at 31st March, 2015
Aggregate Amount of Quoted Investment	15.52	15.52
Aggregate Market value of Quoted Investment	59.35	19.55
Aggregate Amount of Unquoted Investment	1,18,161.51	94,654.94



14.1 Of these, 12,00,000 Equity shares of Gayatri Infra Ventures Limited have been pledged to IL & FS for the term loan availed by Bhandara Thermal Power Corporation Limited, a step-down subsidiary of the Company.

14.2 Of these, 16,96,248 Equity shares of Gayatri Energy Ventures Pvt. Ltd. have been pledged to IFCI for the loan availed by the same company.

14.3 Of these, 25,500 Equity shares of Bhandara Thermal Power Corporation Limited have been pledged to IL & FS for the term loan availed by same company.

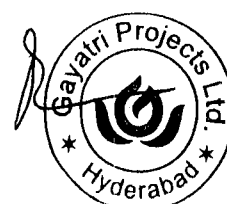
14.4 Of these, 51,00,930 Equity shares of Sai Maatarani Tollways Limited (SMTL) have been pledged to IDBI Trusteeship Ltd for the Loan availed by SMTL.

14.5 Of these, 11,80,151 Equity shares of HKR Roadways Limited have been pledged to ITCL for the loan availed by HKR Roadways Limited.

14.6 Of these, 16,660 Equity shares of Indore DewasTollways Limited have been pledged to SBI Capital Security Trustee Company Limited for the Loan availed by Indore DewasTollways Limited.

14.7 The company has made provision for the diminution in the market value of quoted investments in the books as envisaged in the Companies (Accounting Standard) Rules, prescribed by the Central Government

15. Long-term loans and advances		₹ in Lakhs	
Particulars	As at 31st March, 2016	As at 31st March, 2015	
To Related Parties - Unsecured, Considered Good			
- Loans and Advances to Subsidiaries	13,411.00	13,411.00	
- Loans and Advances to Associates	4,535.01	4,535.01	
To Others - Unsecured, Considered Good			
- Security Deposit with Govt. Depts and Others	47.90	62.89	
- Other Loans and Advances (Refer Note No. 31.21)	33,032.14	33,032.14	
Total	51,026.05	51,041.04	
16. Other Non-Current assets		₹ in Lakhs	
Particulars	As at 31st March, 2016	As at 31st March, 2015	
Unsecured, Considered Good			
- Receivables from Related Party (Refer Note No.31.17)	-	21,851.46	
Total	-	21,851.46	
17. Current Investments		₹ in Lakhs	
Particulars	As at 31st March, 2016	As at 31st March, 2015	
Mutual Funds	-	71.79	
Total	-	71.79	
18. Inventories & Work in progress		₹ in Lakhs	
Particulars	As at 31st March, 2016	As at 31st March, 2015	
(a) Construction materials, Stores and Spares	6,924.72	9,994.76	
(b) Work in Progress	8,563.71	14,207.53	
Total	15,488.43	24,202.29	



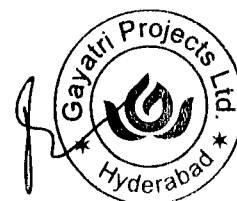
19. Trade Receivables		₹ in Lakhs	
Particulars	As at 31st March, 2016	As at 31st March, 2015	
Trade receivables outstanding for a period less than six months from the date they are due for payment			
Unsecured, considered good*	61,038.97	54,233.28	
Unsecured, considered doubtful	-	-	
Less: Provision for doubtful debts	-	-	
Trade receivables outstanding for a period exceeding six months from the date they are due for payment			
Unsecured, considered good	17,727.09	2,950.07	
Unsecured, considered doubtful	-	-	
Less: Provision for doubtful debts	-	-	
Total	78,766.06	57,183.35	

* Includes claims amount receivable of ₹ 4106.84 lakhs (Previous year : ₹ 4106.84 lakhs)

20. Cash and cash equivalents		₹ in Lakhs	
Particulars	As at 31st March, 2016	As at 31st March, 2015	
(a) Cash on hand	49.84	42.58	
(b) Balances with banks			
In current accounts	3,660.37	2,712.47	
In deposit accounts (due within 12 months)			
i. Margin money for Bank Guarantees / LCs	12,556.51	9,017.02	
ii. Other Deposits	1,738.22	2,743.76	
Total	18,004.94	14,515.83	

21. Short-term loans and advances		₹ in Lakhs	
Particulars	As at 31st March, 2016	As at 31st March, 2015	
To Related Parties - Unsecured, Considered Good			
- Loans and Advances to Subsidiaries	11,450.67	10,817.92	
- Loans and Advances to Associates	3,620.49	3,266.72	
To Others - Unsecured, Considered Good			
- Advances to Suppliers	1,784.82	646.59	
- Advances to Sub-Contractors (Refer Note No.31.22)	58,144.81	44,175.78	
- Staff Advances	231.75	188.24	
- Advances with Govt. Departments	7,571.18	5,890.86	
- Other Advances	1,500.11	1,745.85	
Total	84,303.83	66,731.96	

22. Other current assets		₹ in Lakhs	
Particulars	As at 31st March, 2016	As at 31st March, 2015	
Prepaid Expenses	25.91	130.68	
Others (Refer Note No.31.19)	200.01	-	
Total	225.92	130.68	



1. CORPORATE INFORMATION

Gayatri Projects Limited founded in 1989 is one of India's premier infrastructure company based in Hyderabad executing major civil works including Roads, Canals, Airport Runways, Ports/Harbors, Dams & Reservoirs, Railways etc., across India

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of Preparation and Presentation of Financial Statements

The Company's Financial statements have been prepared to comply with generally accepted accounting principles (Indian GAAP) including the Accounting Standards notified under Section 133 of the Companies Act 2013 ("the Act") read with rule 7 of the Companies (Accounts) Rules 2014 and the relevant provisions of the Act (to the extent notified). Further, the guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also considered, wherever applicable except to the extent where compliance with other statutory promulgations viz. SEBI guidelines override the same requiring a different treatment. Accounting Policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy used previously.

The Financial statements are prepared on accrual basis following the historical cost convention except in certain cases of fixed assets which are carried at revalued amounts and in case of certain financial instruments which are measured at fair values. The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Schedule III to the Act. The Cash Flow Statement has been prepared and presented as per the requirements of Accounting Standard (AS) - 3 "Cash Flow Statements". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified Accounting Standards and the Listing Agreement.

2.2 Use of estimates

The preparation of financial statements in conformity with GAAP requires the management of the Company to make estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. Examples of such estimates include the useful lives of tangible and intangible fixed assets, allowance for doubtful debts/advances, future obligations in respect of retirement benefit plans, estimation of costs as a proportion to the total costs. Difference, if any, between the actual results and estimates is recognized in the period in which the results are known/ materialized. Changes in estimates are reflected in the financial statements in the period in which changes are made and if material are disclosed in the notes to Account.

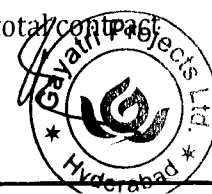
2.3 Revenue recognition

A. Revenue from Operations

a. Revenue from Construction activity:

i) Income is recognized on fixed price construction contracts in accordance with the percentage completion basis, which necessarily involve technical estimates of the percentage of completion, and costs to completion, of each contract / activity, on the basis of which profits and losses are accounted. Such estimates, made by the Company and certified to the Auditors have been relied upon by them, as these are of technical nature.

ii) The stage of completion of contracts is measured by reference to the proportion that contract costs incurred for work performed up to the reporting date bear to the estimated total contract costs for each contract



- iii) Price escalation and other variations in the contract work are included in contract revenue only when:
 - a) Negotiations have reached at an advanced stage such that it is probable that customer will accept the claim and
 - b) The amount that is probable will be accepted by the customer can be measured reliably.
- iv) Incentive payments, as per customer-specified performance standards, are included in contract revenue only when:
 - a) The contract is sufficiently advanced that it is probable that the specified performance standards will be met and
 - b) The amount of the incentive payment can be measured reliably.
- v) Insurance claims are accounted for on cash basis.
- vi) Contract Claims raised by the company which can be reliably measured and have reached an advanced stage of arbitration pending in High court have been recognized as income.

b. Revenue from supply of materials:

Revenue from supply of materials is recognized when substantial risks and rewards of ownership are transferred to the buyer and invoice for the same is raised.

c. Revenue from generation and distribution of Wind Power:

Revenue from wind power operations is recognized when the units are reliably measured and billed and it is reasonable to expect ultimate collection.

d. Revenue receipts on Joint Venture Contracts

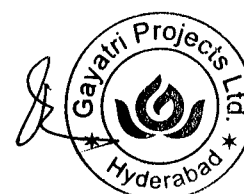
- i) In work sharing Joint Venture arrangements, revenues, expenses, assets and liabilities are accounted for in the Company's books to the extent work is executed by the Company.
- ii) In jointly controlled entities, the share of profits or losses is accounted as and when dividend/ share of profit or loss are declared by the entities.

e. Other Operational Revenue:

All other revenues are recognized only when collectability of the resulting receivable is reasonably assured.

B. Other Income

- i) Interest income is accounted on accrual basis as per applicable interest rates and on time proportion basis taking into account the amount outstanding.
- ii) Dividend income is accounted in the year in which the right to receive the same is established.



2.4 Inventories and work in progress

Raw Materials, construction materials and stores & spares are valued at weighted average cost. Expenditure incurred towards construction work and yet to be certified is carried forward as work in progress. Cost includes direct material, work expenditure, labour cost and appropriate overheads.

2.5 Fixed Assets and Depreciation & Amortization

a) Tangible Fixed Assets

Tangible Fixed Assets are stated at cost of acquisition, less accumulated depreciation thereon. Expenditure which are capital in nature are capitalized at cost, which comprises of purchase price (net of rebates and discounts), import duties, levies, financing costs and all other expenditure directly attributable to bringing the asset to its working condition for its intended use.

b) Capital work in progress

Tangible assets which are purchased but not yet installed and not ready for the intended use on the date of balance sheet are disclosed as "Capital Work-in-Progress".

c) Depreciation and amortization

In respect of fixed assets (other than land and Capital Work in Progress) depreciation / amortization is charged on a straight line basis over the useful lives as prescribed in Schedule II to the Companies Act 2013. For the assets acquired prior to April 1, 2014 the carrying amount is depreciated over the remaining useful life as stipulated in the Act.

However, the remaining use-full life of certain class of plant & machinery is considered as 6 years (w.e.f. 01.04.2014) based on the technical assessment, managements experience of use of those assets, present condition of the asset etc.

Leasehold improvements or assets are amortized over the period of lease.

2.6 Foreign Currency Transactions

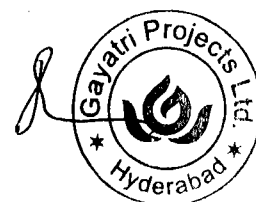
The reporting currency of the company is Indian Rupee. Foreign exchange transactions are accounted at the rates prevailing on the date of transactions. Monetary assets and current liabilities related to foreign currency transactions remaining unsettled at the exchange rate date prevailing on the balance sheet date. The difference in translation of monetary assets and liabilities and realized gains and losses on foreign exchange transactions are recognized in the Statement of Profit and Loss. Non-monetary foreign currency items are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

2.7 Investments

Trade investments comprise investments in subsidiary companies, joint ventures, associate companies and in the entities in which the Company has strategic business interest. Investments are classified as Current investments and Non-Current investments.

Investments, which are readily realizable and are intended to be held for not more than 1 year from the date of acquisition, are classified as current investments. All other investments are classified as long term investments.

Non-Current Investments are carried at cost less provision for permanent diminution, if any, in value of such investments. Current investments are carried at lower of cost and fair value.



2.8 Employee Benefits

Liability for employee benefits, both short and long term, for present and past service which are due as per the terms of employment are recorded in accordance with Accounting Standard (AS) 15 "Employee Benefits" issued by the Institute of Chartered Accountants of India..

i) Gratuity

In accordance with the Payment of Gratuity Act, 1972 the Company provides for Gratuity covering eligible employees. The liability on account of Gratuity is provided on the basis of valuation of the liability by an independent actuary as at the year end.

ii) Provident Fund

In accordance with applicable local laws, eligible employees of the Company are entitled to receive benefits under the provident fund, a defined contribution plan to which both the employee and employer contributes monthly at a determined rate (currently up to 12% of an employee's salary). These contributions are either made to the respective Regional Provident Fund Commissioner, or the Central Provident Fund under the State Pension Scheme, and are recognized as expenses incurred.

iii) Compensated Absences

Liability for compensated absence is treated as a long term liability and is provided on the basis of valuation by an independent actuary as at the year end.

2.9 Deferred Revenue Expenditure

Projects and Other amenities expenditure incurred up to 31st March, 2016, the benefit of which is spread over more than one year is accounted as Project Promotion Expenses grouped under Other Advances and is amortized over the period in which benefits would be derived.

2.10 Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such asset. A qualifying asset is one that requires substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

2.11 Leases

Assets taken on finance lease are capitalized at the inception of the lease at the lower of the fair value or the present value of minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and interest cost, so as to obtain a constant periodic rate of interest on outstanding liability for each period.

Operating leases in respect of office & other equipment, house for employees, Office buildings are cancelable / renewable by mutual consent on agreed terms. Lease payments under an operating lease are recognized as an expense in the Profit and Loss Account.

2.12 Earnings per Share (EPS)

In arriving at the EPS, the Company's net profit after tax, computed in terms of the Indian GAAP, is divided by the weighted average number of equity shares outstanding on the last day of the reporting period. The EPS thus arrived at is known as 'Basic EPS'. To arrive at the diluted EPS the net profit after tax, referred above, is divided by the weighted average number of equity shares, as computed above and the weighted average number of equity share that could have been issued on conversion of shares having potential dilutive effect subject to the terms of issue of those potential shares. The date/s of issue of such potential shares determine the amount of the weighted average number potential equity shares.



2.13 Taxation

i) Current Tax

Provision for Current tax is made based on the liability computed in accordance with the relevant tax rates and provisions of Income Tax Act, 1961.

ii) Deferred Taxes

Deferred Tax is accounted for by computing the tax effect of timing differences which arise during the year and reverse in subsequent periods. Deferred tax assets are recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such Deferred Tax Assets can be realized.

2.14 Impairment of Fixed Assets

The carrying amount of assets, other than inventories is reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of the assets is estimated. The recoverable amount is the greater of the asset's net selling price and value in use which is determined based on the estimated future cash flow discounted to their present values. An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount.

2.15 Provisions for Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources to settle the obligation in respect of which reliable estimate can be made as on the balance sheet date.

Contingent liabilities are present obligations arising from a past event, when it is not probable / probability is remote that an outflow of resources will be required to settle the obligation and they are not recognized but are disclosed in the notes.

Contingent Assets are neither recognized nor disclosed in the financial statements except where it has become virtually certain that an inflow of economic benefit will arise, the asset and the related income are recognized in financial statements of the period in which the change occurs. Provisions for Contingent Liabilities and Contingent Assets are reviewed at each Balance Sheet date.

2.16 Commitments

Commitments are future liabilities for contractual expenditure.

Commitments are classified and disclosed as follows:

- a. Estimated amount of contracts remaining to be executed on capital account and not provided for
- b. Uncalled liability on shares and other investments partly paid
- c. Funding related commitment to subsidiary, associate and joint venture companies and
- d. Other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

Other commitments related to sales/procurements made in the normal course of business are not disclosed to avoid excessive details.



23. Revenue from Operations

₹ in Lakhs

Particulars	For the year ended 31st March, 2016	For the year ended 31st March, 2015
(a) Construction Revenue	1,70,169.84	1,19,198.81
(b) Materials Supply Revenue	10,160.60	35,631.22
(c) Claims	-	4,518.20
(d) Revenue from Electricity Generation	501.91	579.51
(e) Share of profit from Joint Ventures	388.90	186.42
Total	1,81,221.25	1,60,114.16

24. Other income

₹ in Lakhs

Particulars	For the year ended 31st March, 2016	For the year ended 31st March, 2015
(a) Interest income from Fixed Deposits	385.60	322.38
(b) Other Miscellaneous Income	274.29	116.83
Total	659.89	439.21

25. Consumption of Materials and Cost of Purchases & Services

₹ in Lakhs

Particulars	For the year ended 31st March, 2016	For the year ended 31st March, 2015
(a) Steel	8,068.34	9,076.24
(b) Cement	4,976.47	3,787.40
(c) Bitumen	8,751.07	5,949.91
(d) Metal	9,743.51	4,726.62
(e) Sand & Gravel	1,364.95	1,135.62
(f) Electrical Materials	2,586.96	8,812.23
(g) Railway Line Materials	2,449.20	4,519.49
(h) Coal Handling System Materials	5,651.93	13,228.08
(i) RCC & GI Pipes	135.25	128.74
(j) HSD Oils & Lubricants	5,803.85	6,213.69
(k) Stores and Consumables	509.66	691.37
(l) Other Materials	532.97	69.39
Total	50,574.16	58,338.78

26. Work Expenditure

₹ in Lakhs

Particulars	For the year ended 31st March, 2016	For the year ended 31st March, 2015
(a) Departmental Recoveries	5,252.19	2,873.01
(b) Work executed by sub contractors	38,427.73	19,088.46
(c) Earth Work	16,473.75	12,829.14
(d) Concrete Work	5,671.93	11,498.77
(e) Transport Charges	1,374.46	1,481.33
(f) Hire Charges	2,304.11	2,055.25
(g) Road work	4,961.83	10,293.31
(h) Repairs and Maintenance	1,925.36	1,419.86
(i) Taxes and Duties	5,315.74	5,434.36
(j) Royalties, Seigniorage and Cess	1,804.82	856.08
(k) Insurance	261.97	203.22
(l) Commission to Banks on BG/LC	986.20	1,419.61
(m) Other Work Expenditure	6,569.31	5,292.25
Total	91,329.40	74,744.65



27. Change in Inventories of Work-in-Progress

₹ in Lakhs

Particulars	For the year ended 31st March, 2016	For the year ended 31st March, 2015
Opening Work in Progress	14,207.53	13,619.16
Less : Closing Work in Progress	(8,563.71)	(14,207.53)
Changes in Inventory	5,643.82	(588.37)

28. Employee benefits expense

₹ in Lakhs

Particulars	For the year ended 31st March, 2016	For the year ended 31st March, 2015
(a) Salaries & Wages	3,062.41	2,630.20
(b) Director's Remuneration	529.41	444.00
(c) Staff Welfare Expenses	483.98	466.29
(d) Contribution to Statutory Funds	130.44	92.33
Total	4,206.24	3,632.82

29. Finance costs

₹ in Lakhs

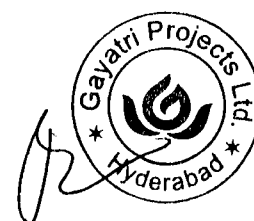
Particulars	For the year ended 31st March, 2016	For the year ended 31st March, 2015
(a) Interest on Term Loans	9,001.25	6,949.71
(b) Interest on Non Convertible Debentures	194.38	409.56
(c) Interest on Working Capital Facilities	9,657.25	9,600.03
(d) Interest on Equipment Loans	761.62	749.52
(e) Interest on ECB Loan *	1,239.95	1,306.55
(f) Exchange loss on ECB Loan	46.19	293.27
(g) Interest on Others	3.23	8.49
(h) Bank Guarantee & Other Financial Charges	412.47	397.71
	21,316.34	19,714.84
(i) <u>Less</u> : Interest on BG/LC Margin Money Deposits	(1,106.92)	(1,059.48)
Interest on Loans & Advances	(4,416.49)	(3,788.18)
Total	15,792.93	14,867.18

* includes premium paid on foreign currency forward contract.

30. Other expenses

₹ in Lakhs

Particulars	For the year ended 31st March, 2016	For the year ended 31st March, 2015
(a) Advertisement expenses	75.10	43.94
(b) Audit fee	59.54	59.55
(c) CSR Expenditure & Donations	301.99	313.68
(e) Insurance charges	52.49	23.38
(f) Consultancy, Legal & professional charges	867.00	810.53
(g) General Expenses	191.33	163.25
(h) Power & fuel	199.30	191.15
(i) Miscellaneous expenses	286.04	179.49
(j) Printing & stationery	87.10	75.82
(k) Rent	497.05	464.97
(l) Taxes & licenses	63.03	60.45
(m) Tender Expenses	61.99	39.30
(n) Telephone	95.18	101.17
(o) Traveling, Conveyance & Stay expenses	684.55	488.22
(p) Loss on sale of assets / Impairment of assets	-	214.47
Total	3,521.69	3,229.37



31. Other Notes forming part of the financial statements

31.1 Leases

Disclosure under Accounting Standard - 19 "Leases", issued by the Institute of Chartered Accountants of India.

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor, are recognized as operating leases. Lease rentals under operating leases are recognized in the statement of profit and loss on a straight-line basis. The Company has taken various residential/godown/office premises (including Furniture and Fittings if any) under lease and license agreements for periods which generally range between 11 months to 3 years. These arrangements are renewable by mutual consent on mutually agreed terms. Under some of these arrangements the Company has given refundable security deposits. The lease payments are recognized in Profit and Loss Account under Rent, Rates and Taxes.

Assets taken on lease by the Company in its capacity as lessee, where the Company has substantially all the risks and rewards of ownership are classified as finance lease. Such a lease is capitalized at the inception of the lease at lower of the fair value or the present value of the minimum lease payments and a liability is recognized for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each year.

31.2 Contingent Liabilities and Commitments

The details of the Contingent Liabilities and Commitments to the extent not provided are as follows:

a. Contingent Liabilities

Particulars	₹ in Lakhs	
	As at 31st March, 2016	As at 31st March, 2015
a) Claims against the company not acknowledged as debt.	-	5,565.55
b) Guarantees given by the Banks towards performance & Contractual Commitments	1,23,892.32	77,539.41
c) Corporate Guarantees given to group companies	2,98,048.00	8,38,456.00
d) Disputed Liability of Income Tax, Sales Tax, Service Tax and Seigniorage charges	8,571.16	14,617.34

b. Commitments

Particulars	₹ in Lakhs	
	As at 31st March, 2016	As at 31st March, 2015
Commitments towards investment in subsidiaries, Joint Ventures and Associates	0.00	25,480.00



31.3 Particulars of Loans and Advances in the nature of loans as required by clause 32 of the Listing Agreement.

₹ in Lakhs

Name of the Company	Relationship	Balances as at		Maximum outstanding	
		31.03.2016	31.03.2015	2015-16	2014-15
IJM Gayatri Joint Venture	Joint Venture	-	-	-	3,902.52
Wetern UP Tollways Ltd	Associate	3,620.49	3,266.72	3,620.49	3,266.72
Sai Maatarini Tollways Ltd	Subsidiary	10,015.99	10,015.99	10,015.99	10,015.99
Indore Dewas Tollways Ltd	Associate	3,395.00	3,395.00	3,395.00	3,395.00
HKR Roadways Ltd	Associate	4,535.01	4,535.01	4,652.01	4,652.01
Gayatri Energy Ventures P. Ltd	Subsidiary	5,934.00	5,645.37	5,934.00	5,645.37
Gayatri Infra Ventures Ltd	Subsidiary	5516.68	5172.55	5729.70	5172.55

31.4 Impairment of Assets

In the opinion of the management, there are no impaired assets requiring provision for impairment loss as per the accounting standard 28 on Impairment of assets. The recoverable amount of building, plant and machinery and computers has been determined on the basis of 'Value in use' method.

31.5 Disclosure pursuant to Accounting Standard (AS) - 15(Revised) "Employee's Benefits":

i) The summarized position of Post-employment benefits and long term employee benefits recognized in the statement of Profit & Loss and Balance Sheet as required in accordance with Accounting Standard - 15 (Revised) issued by the Institute of Chartered Accountants of India are as under:-

ii) (a) Changes in the Benefit Obligations:

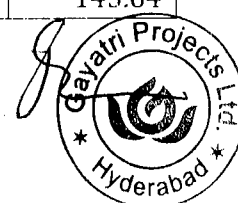
₹ in Lakhs

Particulars	Gratuity		Leave Encashment	
	2015-16	2014-15	2015-16	2014-15
Present Value of Obligation as at the beginning of the year	555.63	542.01	145.64	202.83
Interest Cost	44.45	43.36	11.65	16.23
Current Service Cost	33.69	25.25	11.81	17.04
Benefits Paid	(6.17)	(5.77)	(15.12)	(3.85)
Actuarial loss / (gain) on Obligations	91.13	(49.22)	31.30	(86.61)
Present Value of Obligation at year end	718.73	555.63	185.28	145.64

(b) Amount Recognized in Balance Sheet:

₹ in Lakhs

Particulars	Gratuity		Leave Encashment	
	2015-16	2014-15	2015-16	2014-15
Estimated Present Value of obligations as at the end of the year	718.73	555.63	185.28	145.64
Fair value of Plan Assets as at the end of the year	-	-	-	-
Net Liability recognized in Balance Sheet	718.73	555.63	185.28	145.64



(c) Expenses recognized in Statement of Profit & Loss:

₹ in Lakhs

Particulars	Gratuity		Leave Encashment	
	2015-16	2014-15	2015-16	2014-15
Current Service Cost	33.69	25.25	11.81	17.04
Interest Cost	44.45	43.36	11.65	16.23
Expected return on Plan Asset	-	-	-	-
Net Actuarial (Gain)/Loss recognized during the period	91.13	(49.22)	31.30	(86.61)
Total expenses recognized in Statement of Profit & Loss	169.27	19.39	54.76	(53.34)

(d) Principal Actuarial Assumption:

Particulars	Gratuity		Leave Encashment	
	2015-16	2014-15	2015-16	2014-15
Discount Rate	8.00%	8.00%	8.00%	8.00%
Salary Escalation Rate	4.00%	4.00%	4.00%	4.00%
Retirement Age	60	60	60	60
Mortality	LIC (2006-08)	LIC (2006-08)	LIC (2006-08)	LIC (2006-08)
Attrition Rate	1%	1%	1%	1%

(e) The entire present value of funded obligation at the yearend is unfunded and hence, fair value of assets is not furnished.

31.6 Related Party Transactions pursuant to Accounting Standard(AS)-18**Details of related parties:**

Subsidiary Companies	Step-down Subsidiaries Companies
Gayatri Energy Ventures Pvt.Ltd	Gayatri Lalitpur Roadways Ltd
Gayatri Infra Ventures Ltd	Gayatri-Jhansi Roadways Ltd
Sai Matarani Tollways Limited	Bhandara Thermal Power Corporation Ltd
Associate Companies	Key Management Personnel and their Relatives
Hyderabad Expressways Limited	Mr. T.V.Sandeep Kumar Reddy
Cyberabad Expressways Limited	Mr. J.Brij Mohan Reddy
Western UP Tollway Limited	Mrs. T.Indira Subbarami Reddy
HKR Roadways Limited	Mr.T.Rajiv Reddy
Balaji Highways Holding Limited	Mr.T.Anirudh Reddy
Indore DewasTollways Limited	Mr.P.Sreedhar Babu (CFO)
(Considered as Subsidiary as per AS-21 for consolidation)	Mrs.I.V.Lakshmi (CS & CO)
Entities in which KMP are interested	Joint Ventures
Deep Corporation Pvt. Ltd	Gayatri- RNS Joint Venture
Indira Constructions Pvt. Ltd	IJM Gayatri Joint Venture
Gayatri Tissue & Papers Ltd	Gayatri Ranjit Joint Venture
Gayatri Sugars Ltd	Gayatri - GDC Joint Venture
Gayatri Hi-Tech Hotels Ltd	Gayatri - BCBPPL Joint Venture
Gayatri Property Ventures Pvt. Ltd.	Jaiprakash Gayatri Joint Venture
Gayatri Hotels & Theaters Pvt. Ltd	Gayatri ECI Joint Venture
CSR Ventures Pvt. Ltd.	Maytas-Gayatri Joint Venture
T.V.Sandeep Kumar Reddy & Others	Gayatri - Ratna Joint Venture
Gayatri Bio-Organics Limited	MEIL-GAYATRI-ZVS-ITT Consortium
TSR Foundation	Gayatri-SPL Joint Venture
Dr.T.Subbarami Reddy (HUF)	Gayatri-JMC Joint Venture
Balaji Charitable Trust	Viswanath - Gayatri Joint Venture
TSR Lalita Kala Parishad (Trust)	GPI - BKTGPI Joint Venture

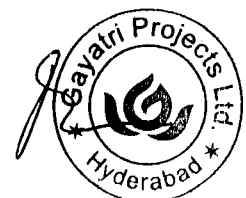
Transactions with the related parties:

₹ in Lakhs

Sl. No.	Description	2015-16				
		Subsidiary & Step-down Subsidiaries	Associate Companies	Entities in which KMP are interested	Joint ventures	KMP & their Relatives
1	Equity contribution	- (117.00)	- (-)	23,500.00 (-)	- (-)	- (-)
2	Contract Receipts	64,106.61 (46,528.22)	5,998.10 (15,909.24)	515.08 (1,105.22)	29,097.10 (23,002.40)	- (-)
3	Contract payments	- (-)	- (-)	359.32 (385.10)	- (-)	- (-)
4	Office Rent & Maintenance	- (-)	- (-)	113.00 (110.14)	- (-)	- (-)
5	Other Payments	- (-)	- (-)	12.83 (52.48)	- (-)	79.12 (67.81)
6	Interest Received	- (-)	637.84 (567.36)	- (-)	231.87 (31.40)	- (-)
7	Donations	- (-)	- (-)	149.52 (176.90)	- (-)	- (-)
8	Remuneration Paid	- (-)	- (-)	- (-)	- (-)	529.41* (444.00)
9	Contract Advances/ Other Adv.	645.77 (14,944.23)	- (2,881.60)	84.00 (-)	- (8,297.36)	- (-)
10	Unsecured Loans received	243.00 (-)	45.70 (-)	- (-)	3757.00 (-)	152.10 (3300.00)
11	Corporate Guarantees	15,000.00 (8,000.00)	- (79,863.00)	- (-)	- (-)	- (-)
12	Closing balances - Debit	30,007.83 (29,248.65)	15,969.01 (15,742.72)	1,156.58 (25,099.87)	27,883.84 (20,532.32)	- (-)
13	Closing balances - Credit	5,261.87 (6,102.79)	382.78 (12,080.44)	417.12 (110.53)	14,669.87 (13,759.62)	261.79 (3,409.11)

Figures in brackets relate to previous year.

* Net off of Excess remuneration of Rs.10.59 Lakhs repaid by the Managing Director



Disclosure of transactions which are more than 10% of the total transactions of the same type with related parties during the year.

₹ in Lakhs

Name of the Entity	Nature of Transaction	2015-16	2014-15
HKR Roadways Limited	Contract Receipts	2051.40	8,081.05
Sai Maatarani Tollways Ltd.	Contract Receipts	63158.34	44,597.48
Indore Dewas Tollways Limited	Contract Receipts	3761.40	3,037.93
Gayatri - ECI Joint Venture	Contract Receipts	10758.18	9,453.61
Jaiprakash-Gayatri Joint Venture	Contract Receipts	12617.89	2,761.99
Gayatri - RNS Joint Venture	Contract Receipts	1857.51	3,267.26
Meil-Gayatri-ZVS-LIT Consortium	Contract Receipts	1833.34	2,347.56
Gayatri-RKTCPL Joint Venture	Contract Receipts	1564.22	2,710.63
Indore Dewas Tollways Limited	Financial Guarantees	--	62613.00
Bhandra Thermal power Corporation Ltd.	Financial Guarantee	15,000.00	--
Gayatri Hitech Hotels P.Ltd	Equity contribution	23,500.00	--
HKR Roadways Limited	Contract Adv./ Other Adv.	-	3,344.23
Sai Maatarani Tollways Ltd.	Contract Adv./ Other Adv.	-	5,106.40
Meil-Gayatri-ZVS-LIT Consortium	Contract Adv./ Other Adv.	2430.40	--

31.7 Un-hedged Foreign Currency Exposures as at 31st March, 2016

The yearend foreign exposures that have not been hedged by a derivate instrument or otherwise are given below:

Amount in Lakhs

Particulars	Hedged/ Un-hedged	2015-16		2014-15	
		Foreign Currency USD	Rupee Equivalent	Foreign Currency USD	Rupee Equivalent
Amount payable in Foreign Currency:					
External Commercial Borrowings (ECB)	Un-hedged	Nil	Nil	Nil	Nil
	Hedged	210.38	12,412.69	229.78	13510.27

31.8 Segment Reporting

The Company's operations predominantly consist of construction / project activities. Hence there are no reportable segments under Accounting Standard - 17. During the year under report, the Company's business has been carried out only in India. The conditions prevailing in India being uniform, no separate geographical disclosures are considered necessary.



31.9 Earnings Per Share (EPS)

Basic and Diluted Earnings per share calculated in accordance with Accounting Standard (AS) 20 "Earning per share".

₹ in Lakhs

Particulars	2015-16	2014-15
Profit After Tax for calculation of Basic EPS (₹ in Lakhs)	5864.84	2205.32
Profit After Tax for calculation of Diluted EPS (₹ in Lakhs)	5864.84	2205.32
Weighted average No. of equity shares as denominator for calculating Basic EPS. (No. in Lakhs)	335.04	302.27
Weighted average No. of equity shares as denominator for calculating Diluted EPS. (No. in Lakhs)	335.04	302.27
Basic EPS (₹)	17.50	7.30
Diluted EPS (₹)	17.50	7.30

31.10 Disclosure in respect of Joint Ventures pursuant to Accounting Standard - 27 "Financial Reporting of Interest in Joint Ventures"

a) List of Joint Ventures/Jointly controlled entities

Sl. No	Name of the Joint Venture / Jointly controlled entities	Description of Interest	% of Holding	Country of residence
1	IJM Gayatri Joint Venture	Jointly controlled entity (construction of Road works)	40 (40)	India
2	Jaiprakash Gayatri Joint Venture	Jointly controlled entity (construction of Canals, Dams etc., works)	49 (49)	India
3	Gayatri Ranjit Joint Venture	Jointly controlled entity (construction of Road works)	60 (60)	India
4	Gayatri ECI Joint Venture	Jointly controlled entity (construction of Road works)	50 (50)	India
5	Gayatri - Ratna Joint Venture	Jointly controlled entity (construction of Road and Irrigation works)	80 (80)	India
6	Gayatri - GDC Joint Venture	Jointly controlled entity (construction of Road works)	70 (70)	India
7	Gayatri - BCBPPL Joint Venture	Jointly controlled entity (construction of Canals, Dams etc., works)	60 (60)	India
8	Gayatri-RNS Joint Venture	Jointly controlled entity (construction of Road works)	60 (60)	India
9	Gayatri- JMC Joint Venture	Jointly controlled entity (construction of Road works)	75 (75)	India
10	MEIL-Gayatri-ZVS-ITT Consortium	Jointly controlled entity (construction of Canals, Dams etc., works)	48.44 (48.44)	India
11	Viswanath - Gayatri Joint Venture	Jointly controlled entity (Transmission and Distribution works)	50 (50)	India
12	Maytas-Gayatri Joint Venture	Jointly controlled entity (construction of Road works)	37 (37)	India
13	GPL-RKTCPL Joint Venture	Jointly controlled entity (construction of Road works)	51 (51)	India
14	Gayatri-SPL Joint Venture	Jointly controlled entity (construction of Road works)	51 (51)	India
15	Vishwa-Gayatri Joint Venture	Jointly controlled entity (construction of Water works)	49 (-)	India

Figures in brackets relate to previous year



b) Financial Interest in Joint Ventures / Jointly Controlled Entities:

₹ in Lakhs

Sl. No.	Name of the Integrated Joint Ventures/ Jointly controlled entities	Company's Share						
		As at 31 st March, 2016		For the Year ended 31 st March, 2016				
		Assets	Liabilities	Income	Expenses	Tax	Net Profit	Net Loss
1	IJM Gayatri Joint Venture	3,096.45 (3,821.88)	3,054.49 (3,787.07)	83.08 (536.14)	72.74 (621.88)	3.20 102.72	7.15 (16.98)	- -
2	Jaiprakash Gayatri Joint Venture	1,561.77 (1,685.64)	1,556.11 (1,679.43)	3,352.09 (1,353.38)	3,352.09 (1,353.38)	0.55 -	- -	0.55 -
3	Gayatri ECI Joint Venture	2,276.12 (3,360.03)	1,000.66 (2,473.47)	8,283.18 (6,388.86)	7,876.52 (6,202.43)	16.26 -	390.40 (186.42)	- -
4	Gayatri - Ratna Joint Venture	8,701.19 (8,828.00)	8,695.82 (8,822.62)	3.21 (157.60)	3.21 (157.60)	- -	- -	- -
5	Gayatri - GDC Joint Venture	368.46 (368.46)	368.46 (368.46)	- (1.02)	- (1.02)	- -	- -	- -
6	Gayatri - BCBPPL Joint Venture	537.32 (748.97)	530.05 (741.29)	234.61 (744.96)	234.61 (744.96)	0.42 -	- -	0.42 -
7	Gayatri- RNS Joint Venture	520.12 (737.76)	520.12 (737.76)	1,123.19 (1,979.20)	1,123.19 (1,979.20)	- -	- -	- -
8	Gayatri- JMC Joint Venture	226.53 (168.91)	226.53 (168.91)	111.47 (856.82)	111.47 (856.82)	- -	- -	- -
9	MEIL-Gayatri-ZVS-ITT Consortium	1,596.52 (513.02)	1,596.52 (513.02)	1,788.45 (1,265.11)	1,788.45 (1,265.11)	- -	- -	- -
10	Viswanath-Gayatri Joint Venture	1,327.43 (1,320.55)	1,327.43 (1,320.55)	21.61 (93.74)	21.61 (93.74)	- -	- -	- -
11	Gayatri-Ranjit Joint Venture	154.40 (154.40)	154.40 (154.40)	- -	- -	- -	- -	- -
12	Maytas-Gayatri Joint Venture	5,874.82 -	5,883.37 -	- -	8.55 -	- -	- -	8.55 -
13	GPL-RKTCPL Joint Venture	732.25 (182.22)	732.25 (182.22)	1,564.22 -	1,564.22 -	- -	- -	- -
14	GPL-SPL Joint Venture	1,472.30 (223.94)	1,471.70 (223.94)	510.66 (330.93)	510.05 (330.93)	- -	0.61 -	- -
15	Vishwa-Gayatri Joint Venture	347.67 -	347.67 -	- -	- -	- -	- -	- -
	Total:	28,708.21 (22,113.78)	27,380.41 (21,173.13)	17,075.77 (13,707.74)	16,666.70 (13,607.06)	20.43 102.72	398.15 (203.40)	9.52 -
	Share of net assets in jointly controlled entities		1,327.80 (940.65)					

Figures in brackets relate to previous year.

31.11 Dues to Micro and Small Enterprises:

On the basis of information available with the Company, there are no dues outstanding for more than 45 days to Small Scale Industrial Undertaking (SSI). The Company has not received any intimation from "suppliers" regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating to amounts unpaid as at the yearend together with interest paid/payable as required under the said Act have not been given.

31.12 There are no amounts due and outstanding to be credited to Investors Education & Protection Fund as on 31-03-2016 and amounts which are required to be transferred to such funds have been transferred.

31.13 Auditors' Remuneration (excluding service tax and reimbursement of expenses):

₹ in Lakhs

Sl.No	Particulars	2015-16	2014-15
a	Statutory Audit	23.00	23.00
b	Limited Review	16.00	16.00
c	Tax Audit	6.50	6.50
d	Certification Fee	6.50	6.50
Total :		52.00	52.00

31.14 Disclosure pertaining to Accounting Standard -29 is as below.

₹ in Lakhs

Account Head	Opening Balance	Provisions made During the year	Paid/Utilized during the year	Closing Balance
Gratuity	555.63	169.27	6.17	718.73
Leave Encashment	145.64	54.76	15.12	185.28
Taxation	-	1767.94	1767.94	-
Proposed Dividend & Dividend Tax	456.38	853.35	456.38	853.35

31.15 Disclosure pursuant to Accounting Standard - 7 (Revised) "Construction Contracts"

₹ in Lakhs

Sl.No	Particulars	2015-16	2014-15
1	Contract revenue recognized for the year ended	1,80,719.34	1,59,534.65
2	Contract cost incurred and recognized profits, less losses	1,65,586.30	1,44,106.38
3	Amount of advances received till date, net of recoveries	55,951.41	42,572.22
4	Gross amount due from customers for contract works	78,491.27	62,137.14

Since the principal business of the Company is in construction activities, quantitative data as required by Schedule III to the Companies Act, 2013 is not furnished.

31.16 Additional Information pursuant to Schedule III of the Companies Act, 2013.

i) CIF value of Imports

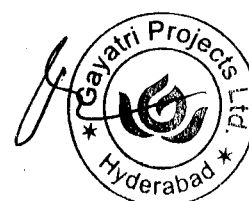
₹ in Lakhs

Sl. No.	Particulars	2015-16	2014-15
1	Purchase of Capital Goods	1155.67	Nil

ii) Expenditure / (Income) in Foreign Currency:

₹ in Lakhs

Sl. No.	Particulars	2015-16	2014-15
1	Travelling Expenses	20.92	15.37
2	Interest on ECB Loan	811.95	1,599.81



iii) Details of major raw materials consumption

₹ in Lakhs

Particulars	2015-16		2014-15	
	Value	%	Value	%
Steel	8,068.34	16.33%	9,076.24	15.80
Cement	4,976.47	10.07%	3,787.40	6.59
Bitumen	8,751.07	17.72%	5,949.91	10.36
Metal	9,743.51	19.73%	4,726.62	8.23
Electrical Materials	2,586.96	5.24%	8,812.23	15.34
Railway Line Materials	2,449.20	4.96%	4,519.49	7.87
Coal Handling System Materials	5,651.93	11.44%	13,228.08	23.03
HSD Oil & Lubricants	5,803.85	11.75%	6,213.69	10.82
Sand & Gravel	1,364.95	2.76%	1,135.62	1.98
Total :	49,396.28	100.00%	57,449.28	100.00

- 31.17 As per the approval of Board and Shareholders of the Company, Gayatri Hi-tech Hotels Ltd (GHHL), a related party of the Company, has allotted 2,35,00,000 - 9% Cumulative Redeemable Preference Shares (CRPS) of ₹ 10/- each at a premium of ₹ 90/- per share against receivables from GHHL.
- 31.18 As per an expert opinion, during the year the Company has claimed deduction u/s 80IA of the Income Tax Act, 1961 in respect of income earned on infrastructure projects.
- 31.19 In pursuance of share purchase agreement entered between the Company and AMP Capital Finance Mauritius Limited (AMP) to purchase shares of Gayatri Infra Ventures Limited held by AMP, an amount of ₹ 200.01 Lakhs has been paid as an advance towards purchase of shares.
- 31.20 (a) During the year, the Company has issued 16,19,386 Equity Share of ₹ 10/- each at a premium of ₹193.78 per equity share by way of preferential allotment to promoters against unsecured loans of ₹33.00 crores received during the previous year, in terms of the Master Restructuring Agreement entered with the Company's Lenders.
- (b) The company has further issued 36,04,000 Equity Shares of ₹10 each at a premium of ₹193.20 on preferential allotment / private placement.
- 31.21 Some of the Contract Advances given by the Company in earlier years and which are long pending for recovery due to reasons beyond the control of both the parties have been converted into interest bearing loans and are grouped under "Long term Loans & Advances". The management of the Company has already initiated steps to recover the same and is confident that these advances / loans will be recovered and hence no provision has been made in the financials.
- 31.22 Advances to sub-contractors include amounts paid as work advances to certain sub-contractors wherein the corresponding contract works are yet to commence. In the opinion of the management, the said contract works have not commenced due to certain extraneous factors beyond the control of such sub-contractor and without any default/failure of performance from their end. The management is confident to commence the works in near future and recover the advances from the sub-contractors.



31.23 In the opinion of the management and to the best of their knowledge and belief, the value of the assets reported under Long Term Loans and Advances and Current Assets are approximately of the value stated, if realized in ordinary course of business, unless stated otherwise. The provision for all known liabilities is adequate and not in excess of amount considered reasonably necessary.

31.24 The company has spent an amount of Rs.88.79 Lakhs towards Corporate Social Responsibility during the year 2015-16 which is 2.01% of average net profits of the company made during the three immediate preceding financial years. This amount has been spent as per the recommendations of the Corporate Social Responsibility committee of the Board.

31.25 All amounts are rounded off to nearest thousand

31.26 Previous year figures have been regrouped wherever considered necessary.

For M O S & Associates LLP
Chartered Accountants

For and on behalf of the Board

S.V.C.Reddy
Partner

T. INDIRA SUBBARAMI REDDY
Chairperson

T.V.SANDEEP KUMAR REDDY
Managing Director

Place : Hyderabad
Date : 30th May 2016

P.SREEDHAR BABU
Chief Financial Officer

I.V.LAKSHMI
Company Secretary &
Compliance Officer



INDEPENDENT AUDITORS' REPORT

To The Members of Gayatri Projects Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **Gayatri Projects Limited** ("the holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its associates and jointly controlled entities, comprising the Consolidated Balance Sheet as at 31st March 2016, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (herein after referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its associates and jointly controlled entities in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the directors of the Holding Company, as aforesaid.

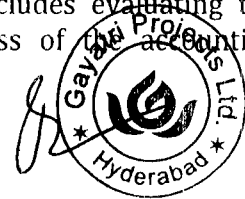
Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting



estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred in point no. a, b and c of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Basis for qualified Opinion

As stated in note no. 30.20, M/s Gayatri Infra Ventures Limited (GIVL), a subsidiary of the company, has entered into a definitive sale agreement for divestment of its entire equity stake amounting to ₹ 4606.09 lakhs held in Western UP Tollway Limited, a jointly controlled entity of GIVL. The Independent Auditors of GIVL in their audit report on consolidated financial statements of GIVL have qualified the above said matter by stating that pending final outcome of the said process, they are unable to comment upon the consequential effects, if any, of the said matter, on the financial statements of GIVL.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of matter described in the Basis for Qualified Opinion paragraph above, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associates and jointly controlled entities as at 31st March 2016, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Emphasis of Matters

(Note Nos. referred hereunder is with reference to respective Notes forming part of the consolidated financial statement)

We draw member's attention to the following matters:

Note No.30.14 & 30.15 regarding certain loans & advances and work advances given to some of the sub-contractors which are long pending for recovery.

Our Opinion is not qualified in respect of the above matters.

Other Matters

- a. We did not audit the financial statements / consolidated financial statements of three subsidiaries whose financial statements / consolidated financial statements reflect total assets (net) of ₹ 3,91,971.25 lakhs as at 31st March 2016, total revenues (net) of ₹ 27,564.70 lakhs and net cash outflows amounting to ₹ 3021.01 lakhs for the year ended on that date. These financial statements / consolidated financial statements have been audited by other auditors whose audit reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures in respect of these subsidiaries, and our report in terms of sub section (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.
- b. We did not audit the financial statements of two associates in which the share of loss of the Group is ₹176.66 lakhs. These financial statements have been audited by other auditors whose audit reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures in respect of these associates, and our report in terms of sub section (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid associates, is based solely on the reports of the other auditors.

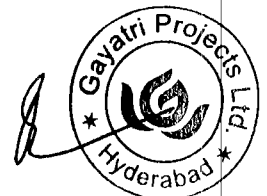


- c. We did not audit the financial statements of six joint ventures / jointly controlled entities whose financial statements to the extent of company's share reflected in the consolidated financial statements with a total assets of ₹ 6,926.67 lakhs as at 31st March 2016, total revenues of ₹ 18,086.36 lakhs and net cash outflows amounting to ₹ 36.26 lakhs for the year ended on that date. These financial statements have been audited by other auditors and have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these joint ventures, and our report in terms of sub section (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid joint ventures, is based solely on such financial statements.
- d. We have relied on the unaudited (management certified) financial statements of four joint ventures whose financial statements to the extent of company's share reflected in the consolidated financial statements with a total assets of ₹ 9,494.13 lakhs as at 31st March 2016, total revenues of ₹ 84.11 lakhs and net cash outflows amounting to ₹ 370.21 lakhs for the year ended on that date. These financial statements/financial information are unaudited and have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these joint ventures, and our report in terms of sub section (3) and (11) of Section 143 of the Act, in so far as it relates to these joint ventures, is based solely on such unaudited financial statements/financial information.

Our opinion on the consolidated financial statements, and our report on other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and reports of the other auditors and the financial statements / financial information certified by the management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, and based on the auditor's report of the subsidiaries, associates and jointly controlled entities, we report, to the extent applicable, that:
- We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the consolidated financial statements;
 - In our opinion, proper books of accounts as required by law relating to preparation of the consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;
 - The Consolidated financial statements dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
 - In our opinion, the consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended);
 - On the basis of the written representations received from the directors of holding company as on 31st March, 2016 taken on record by the board of directors of the holding company and reports of the statutory auditors of its subsidiary companies and associate companies, none of the directors of the Group Companies and its associate companies incorporated in India is disqualified as on 31st March 2016 from being appointed as a director in terms of Section 164 (2) of the Act;
 - The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the basis for qualified opinion paragraph;

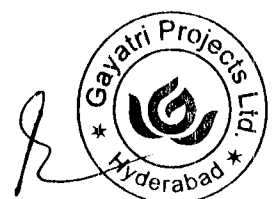


- g. With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate report in "Annexure A", which is based on the auditors' reports of the Holding Company, subsidiary companies and associate companies; and
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
- i. The Group, its associates and jointly controlled entities have disclosed the impact of pending litigations on its consolidated financial position, as stated in Note No. 19 & 30.4.
 - ii. The Group, its associates and jointly controlled entities did not have any material foreseeable losses relating to long-term contracts including derivative contracts.
 - iii. The amounts which are required to be transferred to Investor Education & Protection Fund by the Holding Company have been transferred and there were no amounts which were required to be transferred to Investor Education & Protection Fund by the subsidiary and associate companies.

For M O S & Associates LLP
Chartered Accountants
Firm's Registration No.: 001975S/S200020

S.V.C. Reddy
Partner
Membership Number: 224028

Place: Hyderabad
Date: 30th May 2016



Annexure "A" to Independent Auditor's Report

(Referred to in paragraph 1(g) under the heading of 'Report on Other Legal and Regulatory Requirements' of our report of even date)

Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **Gayatri Projects Limited** ("the holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associate as of 31st March 2016 in conjunction with our audit of the consolidated financial statements of the Holding Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiary companies and associate companies, which are companies incorporated in India, are responsible for establishing and maintaining Internal Financial Controls based on the Internal Control over Financial Reporting criteria established by the respective Companies considering the essential components of Internal Control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Holding Company, its subsidiary companies and associate companies, which are companies incorporated in India, based on our audit.

We conducted our audit in accordance with the Guidance Note issued by the Institute of Chartered Accountants of India ('ICAI') and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operating effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial control system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgment including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors, in terms of their reports referred in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial control system over financial reporting of the Holding Company, its subsidiary and associate companies as aforesaid.



Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control system over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with Generally Accepted Accounting Principles (GAAP). A Company's internal financial control system over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorization of the Management and Directors' of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's Assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial control system over financial reporting, including the possibility of collusion or improper management override of controls, material misstatement due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial control system over financial reporting to future periods are subject to the risk that the internal financial control system over financial reporting may become inadequate because of the changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Holding Company, its subsidiary and associate companies, have, in all material respects, adequate internal financial control system over financial reporting and such internal financial control system over financial reporting were operating effectively as at 31st March 2016, based on the internal financial control system over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance note on Audit of Internal Financial Control over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

We did not audit the Internal Financial Controls over Financial Reporting insofar as it relates to three subsidiaries whose financial statements / consolidated financial statements reflect total assets (net) of ₹ 3,91,971.25 lakhs as at 31st March 2016, total revenues (net) of ₹ 27,564.70 lakhs and net cash outflows amounting to ₹ 3,021.01 lakhs for the year ended on that date; and two associates, in respect of which, the share of loss of the Group is ₹176.66 lakhs for the year ended 31st March 2016 has been considered in the consolidated financial statements. Our report on the adequacy and operating effectiveness of the Internal Financial Controls over Financial Reporting for the Holding Company, its subsidiary and associate companies, under section 143(3)(i) of the Act insofar as it relates to the aforesaid subsidiaries and associates, is solely based on the corresponding reports of the auditors of such companies.

For M O S & Associates LLP

Chartered Accountants

Firm's Registration No.: 001975S/S200020

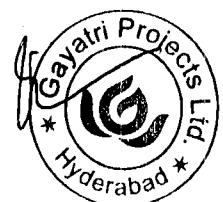
S V C Reddy

Partner

Membership Number: 224028

Place: Hyderabad

Date: 30th May 2016



GAYATRI PROJECTS LIMITED
CONSOLIDATED BALANCE SHEET AS AT 31st MARCH 2016

₹ in Lakhs

Particulars	Note No.	As at 31.03.2016	As at 31.03.2015
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share capital	2	3,545.04	3,022.70
(b) Reserves and surplus	3	<u>72,520.81</u>	<u>70,134.56</u>
		76,065.85	73,157.26
(2) Minority Interest			
		134.22	3,035.75
(3) Non-current liabilities			
(a) Long-term borrowings	4	3,34,539.78	3,01,588.18
(b) Deferred Tax Liabilities (net)	5	1,951.64	2,519.00
(c) Other Long term liabilities	6	1,91,717.14	62,520.61
(d) Long-Term provisions	7	<u>8,708.31</u>	<u>8,057.68</u>
		5,36,916.87	3,74,685.47
(4) Current liabilities			
(a) Short-term borrowings	8	90,797.82	85,395.38
(b) Trade payables	9	46,008.11	39,934.61
(c) Other current liabilities	10	59,021.38	56,905.06
(d) Short term provisions	11	<u>2,187.93</u>	<u>1,858.86</u>
		1,98,015.24	1,84,093.91
Total		<u><u>8,11,132.18</u></u>	<u><u>6,34,972.40</u></u>
II. ASSETS			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	12a	28,928.49	27,433.27
(ii) Intangible assets	12b	2,45,239.48	1,06,594.50
(iii) Capital work-in-progress	12c	636.85	582.96
(iv) Intangible Assets under Development	12d	1,49,960.80	1,47,485.18
(b) Non-Current Investments	13	71,211.19	73,862.82
(c) Long term loans and advances	14	45,630.22	52,500.03
(d) Other non-current Assets	15	<u>10,000.00</u>	<u>31,851.46</u>
		5,51,607.03	4,40,310.22
(2) Current assets			
(a) Current Investments	16	30.00	76.79
(b) Inventories	17	15,497.29	24,202.29
(c) Trade receivables	18	81,120.12	59,176.28
(d) Cash and cash equivalents	19	32,639.96	25,083.65
(e) Short term loans and advances	20	98,171.57	80,752.25
(f) Other Current Assets	21	<u>32,066.21</u>	<u>5,370.92</u>
		2,59,525.15	1,94,662.18
Total		<u><u>8,11,132.18</u></u>	<u><u>6,34,972.40</u></u>
Significant Accounting Policies	1		
Other Notes forming part of the Financial Statements	30		

As per our Report attached
For M O S & Associates LLP
Chartered Accountants

For and on behalf of the Board

S.V.C.Reddy
Partner

T. Indira Subbarami Reddy
Chairperson

T.V. Sandeep Kumar Reddy
Managing Director

Place: Hyderabad
Date: 30th May 2016

P. Sreedhar Babu
Chief Financial Officer

I.V.Laxmi
Company Secretary &
Compliance Officer



GAYATRI PROJECTS LIMITED
CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2016

₹ in Lakhs

Particulars	Note	For the year ended 31st March, 2016	For the year ended 31st March, 2015
I. Revenue			
(a) Revenue from operations	22	1,62,040.90	1,50,076.92
(b) Other Income	23	1,319.17	784.95
Total Revenue		1,63,360.07	1,50,861.87
II. Expenses			
(a) Consumption of Materials and Cost of Purchases & Services	24	31,046.17	48,176.81
(b) Work Expenditure	25	77,833.75	62,326.17
(c) Changes in Inventories of Work in Progress	26	5,643.82	(588.37)
(d) Employee benefits expenses	27	3,322.67	2,940.75
(e) Finance costs	28	28,518.10	26,528.01
(f) Depreciation and amortization expense	12(a,b)	15,149.08	11,971.05
(g) Other Expenses	29	3,338.16	3,054.72
Total Expenses		1,64,851.75	1,54,409.14
III. Profit/ (Loss) before Exceptional & Extraordinary items and Tax (I-II)		(1,491.68)	(3,547.27)
IV. Exceptional items		-	-
V. Profit/(Loss) before Extraordinary items and Tax		(1,491.68)	(3,547.27)
VI. Extraordinary items		-	-
VII. Profit/(Loss) before Tax		(1,491.68)	(3,547.27)
VIII. Tax Expenses			
(a) Current Tax - paid		1,853.37	1,444.25
(b) Current Tax - for earlier years		0.97	-
(c) Deferred Tax (Net)		(567.35)	(238.36)
IX. Profit / (Loss) for the year before Minority Interest		(2,778.67)	(4,753.16)
X. Less: Share of Profit / (Loss) transferred to Minority Interest		(2,901.53)	(1,583.78)
XI. Consolidated Profit / (Loss) for the year		122.86	(3,169.38)
XII. Earning per Share (of Rs.10/- each):			
Basic & Diluted		0.35	(10.49)
Significant Accounting Policies	1		
Other Notes forming part of the Financial Statements	30		

As per our report attached
For M O S & Associates LLP
Chartered Accountants

For and on behalf of the Board

S.V.C.Reddy
Partner

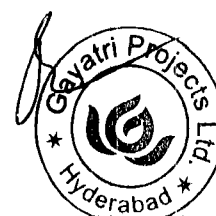
T. Indira Subbarami Reddy
Chair person

T.V. Sandeep Kumar Reddy
Managing Director

Place: Hyderabad
Date: 30th May 2016

P. Sreedhar Babu
Chief Financial Officer

I.V.Laxmi
Company Secretary &
Compliance Officer



1 SIGNIFICANT ACCOUNTING POLICIES

1.1 Basis of Preparation and Presentation of Consolidated Financial Statements

The Consolidated Financial statements of the Company and its Subsidiaries and Jointly Controlled Entities (constitutes the 'Group') have been prepared to comply with generally accepted accounting principles (Indian GAAP) including the Accounting Standards notified under Section 133 of the Companies Act 2013 ("the Act") read with rule 7 of the Companies (Accounts) Rules 2014 and the relevant provisions of the Act (to the extent notified). Further, the guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also considered, wherever applicable except to the extent where compliance with other statutory promulgations viz. SEBI guidelines override the same requiring a different treatment. Accounting Policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy used previously.

The Financial statements are prepared on accrual basis following the historical cost convention except in certain cases of fixed assets which are carried at revalued amounts and in case of certain financial instruments which are measured at fair values. The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Schedule III to the Act. The Cash Flow Statement has been prepared and presented as per the requirements of Accounting Standard (AS) - 3 "Cash Flow Statements". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified Accounting Standards and the Listing Agreement.

1.2 Use of estimates

The preparation of financial statements in conformity with GAAP requires the management of the Company to make estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. Examples of such estimates include the useful lives of tangible and intangible fixed assets, allowance for doubtful debts/advances, future obligations in respect of retirement benefit plans, estimation of costs as a proportion to the total costs. Difference, if any, between the actual results and estimates is recognized in the period in which the results are known/ materialized. Changes in estimates are reflected in the financial statements in the period in which changes are made and if material are disclosed in the notes to Account.

1.3 Revenue recognition

A. Revenue from Operations

a. Revenue from Construction activity:

- i) Income is recognized on fixed price construction contracts in accordance with the percentage completion basis, which necessarily involve technical estimates of the percentage of completion, and costs to completion, of each contract / activity, on the basis of which profits and losses are accounted. Such estimates, made by the Company and certified to the Auditors have been relied upon by them, as these are of technical nature.



- ii) The stage of completion of contracts is measured by reference to the proportion that contract costs incurred for work performed up to the reporting date bear to the estimated total contract costs for each contract
- iii) Price escalation and other variations in the contract work are included in contract revenue only when:
 - a) Negotiations have reached at an advanced stage such that it is probable that customer will accept the claim and
 - b) The amount that is probable will be accepted by the customer can be measured reliably.
- iv) Incentive payments, as per customer-specified performance standards, are included in contract revenue only when:
 - a) The contract is sufficiently advanced that it is probable that the specified performance standards will be met and
 - b) The amount of the incentive payment can be measured reliably.
- v) Insurance claims are accounted for on cash basis.
- vi) Contract Claims raised by the company which can be reliably measured and have reached an advanced stage of arbitration pending in High court have been recognized as income.

b. Revenue from supply of materials:

Revenue from supply of materials is recognized when substantial risks and rewards of ownership are transferred to the buyer and invoice for the same is raised.

c. Revenue from generation and distribution of Wind Power:

Revenue from wind power operations is recognized when the units are reliably measured and billed and it is reasonable to expect ultimate collection.

d. Income from development of highways i.e Toll Revenue & Annuity Income:

In case of companies involved in construction and maintenance of roads, toll revenue from operations is recognized on accrual basis which coincides with the collection of toll. In annuity based projects, revenue recognition is based on annuity accrued on time basis in accordance with the provisions of the concessionaire agreements entered into with NHAI or with respective state governments or authorities. Claims raised on NHAI or with respective state governments or authorities under concessionaire agreements are accounted for in the year of acceptance.

e. Revenue receipts on Joint Venture Contracts

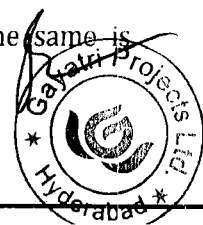
- i) In work sharing Joint Venture arrangements, revenues, expenses, assets and liabilities are accounted for in the Company's books to the extent work is executed by the Company.
- ii) In jointly controlled entities, the share of profits or losses is accounted as and when dividend/ share of profit or loss are declared by the entities.

f. Other Operational Revenue:

All other revenues are recognized only when collectability of the resulting receivable is reasonably assured.

B. Other Income

- i) Interest income is accounted on accrual basis as per applicable interest rates and on time proportionate basis taking into account the amount outstanding.
- ii) Dividend income is accounted in the year in which the right to receive the same is established.



1.4 Principles of Consolidation

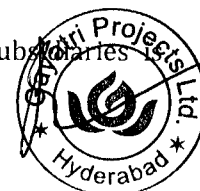
The consolidated financial statements have been prepared on the following basis:

- a) The Financial Statements of the Company and its subsidiary companies have been consolidated on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions resulting in unrealized profits or losses as per Accounting Standard - 21 "Consolidated Financial Statements" issued by Institute of Chartered Accountants of India ('AS-21') specified Under Section 133 of the Companies Act, 2013.
- b) Investments in associate companies have been accounted for, by using equity method as per Accounting Standard - 23 "Accounting for Investments in Associates in Consolidated Financial Statements" specified Under Section 133 of the Companies Act, 2013, whereby investment is initially recorded at cost and the carrying amount is adjusted thereafter for post-acquisition change in the Company's share of net assets of the associate. The carrying amount of investment in associate companies is reduced to recognize any decline which is other than temporary in nature and such determination of decline in value, if any, is made for each investment individually. The unrealized profits/losses on transactions with associate companies are eliminated by reducing the carrying amount of investment.

- c) The Company's interests in joint ventures are consolidated as follows:

Type of Joint Venture	Accounting treatment
Jointly controlled operations	Company's share of revenues, common expenses, assets and liabilities are included in revenues, expenses, assets and liabilities respectively.
Jointly controlled assets	Share of the assets, according to nature of the assets, and share of the liabilities are shown as part of gross block and liabilities respectively. Share of expenses incurred on maintenance of the assets is accounted as expense. Monetary benefits, if any, from use of the assets are reflected as income.
Jointly controlled entities	The Company's interest in jointly controlled entities are proportionately consolidated on a line-by-line basis by adding together the book values of assets, liabilities, income and expenses, after eliminating the unrealized profits/losses on intra-group transactions.

- d) The financial statements are presented to the extent possible, in the same manner as the parent company's independent financial statements.
- e) Goodwill/Capital Reserve arrived on account of consolidation of Associates in accordance with AS-23 is included /adjusted in the carrying amount of the investment.
- f) Minority interest in the net assets of the consolidated subsidiaries is computed and presented in consolidated balance sheet separately from current liabilities and equity of the Company.
- g) Minority interest in the net assets of consolidated subsidiaries consists of:
- The amount of equity attributable to minorities at the date on which investment in a subsidiary is made; and
 - The minorities' share of changes in the equity since the date the parent subsidiary relationship came into existence.
- h) Minority interest in the net profit/(loss) for the year of consolidated subsidiaries is computed and adjusted against the net profit/(loss) after tax of the group.



1.5 Inventories and work in progress

Raw Materials, construction materials and stores & spares are valued at weighted average cost. Expenditure incurred towards construction work and yet to be certified is carried forward as work in progress. Cost includes direct material, work expenditure, labour cost and appropriate overheads.

1.6 Fixed Assets and Depreciation & Amortization

a) Tangible Fixed assets

Tangible Fixed Assets are stated at cost of acquisition, less accumulated depreciation thereon. Expenditure which are capital in nature are capitalized at cost, which comprises of purchase price (net of rebates and discounts), import duties, levies, financing costs and all other expenditure directly attributable to bringing the asset to its working condition for its intended use.

b) Capital work in progress

- i) Tangible assets which are purchased but not yet installed and not ready for the intended use on the date of balance sheet are disclosed as "Capital Work-in-Progress".
- ii) Capital Expenditure incurred towards projects which is yet to be capitalized is accounted and disclosed as Capital Work in Progress.

c) Depreciation and amortization

In respect of fixed assets (other than land and Capital Work in Progress) depreciation / amortization is charged on a straight line basis over the useful lives as prescribed in Schedule II to the Companies Act 2013. For the assets acquired prior to April 1, 2014 the carrying amount is depreciated over the remaining useful life as stipulated in the Act.

However, the remaining use-full life of certain class of plant & machinery is considered as 6 years (w.e.f. 01.04.2014) based on the technical assessment, managements experience of use of those assets, present condition of the asset etc.

Leasehold improvements or assets are amortized over the period of lease.

d) Intangible Assets and Amortization

i) Carriageway:

Carriageways represents commercial rights to collect toll fee in relation to roads projects and to receive annuity in the case of annuity based projects which has been accounted at the cost incurred on the project activity towards reconstruction, strengthening, widening, rehabilitation of the roads on build, operate and transfer basis. It includes all direct material, labour and subcontracting costs, inward freight, duties, taxes, obligation towards negative grant payable to concessionaires, if any, and any directly attributable expenditure on making the commercial right ready for its intended use.

- ii) Goodwill represents the difference between the Group's share in the net worth of a subsidiary or an associate or a joint venture, and the cost of acquisition at each point of time of making the investment in the subsidiary or the associate or the joint venture. For this purpose, the Group's share of net worth is determined on the basis of the latest financial statements prior to the acquisition after making necessary adjustments for material events between the date of such financial statements and the date of respective acquisition.



- e) **Intangible Asset under development :**
Expenses incurred relating to the development of Road Projects prior to commencement of commercial operations are included under Intangible Asset under development (net of income earned during project development stage) and after completion of the road project to be transferred to Intangible Asset. Intangible Asset under development includes direct and indirect expenditure incurred for the road project and costs incidental and related thereto.

1.7 Foreign Currency Transactions

The reporting currency of the Group is Indian Rupee. Foreign exchange transactions are accounted at the rates prevailing on the date of transactions. Monetary assets and current liabilities related to foreign currency transactions remaining unsettled at the end of the year are translated at year end rates. The difference in translation of monetary assets and liabilities and realized gains and losses on foreign exchange transactions are recognized in the Statement of Profit and Loss. Non-monetary foreign currency items are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

1.8 Investments

Trade investments comprise investments in subsidiary companies, joint ventures, associate companies and in the entities in which the Company has strategic business interest. Investments are classified as Current investments and Non-Current investments.

Investments, which are readily realizable and are intended to be held for not more than 1 year from the date of acquisition, are classified as current investments. All other investments are classified as long term investments.

Non-Current Investments are carried at cost less provision for permanent diminution, if any, in value of such investments. Current investments are carried at lower of cost and fair value. Dividend income is accounted when the right to receive dividend is established.

1.9 Employee Benefits

Liability for employee benefits, both short and long term, for present and past service which are due as per the terms of employment are recorded in accordance with Accounting Standard (AS) 15 "Employee Benefits" issued by the Institute of Chartered Accountants of India.

i) Gratuity

In accordance with the Payment of Gratuity Act, 1972 the company provides for Gratuity covering eligible employees. The liability on account of Gratuity is provided on the basis of valuation of the liability by an independent actuary as at the year end.

ii) Provident Fund

In accordance with applicable local laws, eligible employees of the Company are entitled to receive benefits under the provident fund, a defined contribution plan to which both the employee and employer contributes monthly at a determined rate (currently up to 12% of an employee's salary). These contributions are either made to the respective Regional Provident Fund Commissioner, or the Central Provident Fund under the State Pension Scheme, and are expenses as incurred.

iii) Compensated Absences

Liability for compensated absence is treated as a long term liability and is provided on the basis of valuation by an independent actuary as at the year end.

- iv) Actuarial gains and losses are immediately recognized and taken to the profit and loss account and are not deferred.



1.10 Deferred Revenue Expenditure

Projects and Other amenities expenditure incurred up to 31st March, 2016, the benefit of which is spread over more than one year is accounted as Project Promotion Expenses grouped under Other Advances and is amortized over the period in which benefits would be derived

1.12 Grants

Grants or subsidies from the government or any regulatory authorities are recognized when there is reasonable assurance that the grant/subsidy will be received and all conditions attached to the grant / subsidy will be complied with.

When the grant or subsidy relates to revenue, it is recognized as income on a systematic basis in the Statement of Profit and Loss over the periods necessary to match them with the related costs, which they are intended to compensate.

Where the grant or subsidy relates to an asset, the grant or subsidy amount (net of direct amount incurred to earn aforesaid grant or subsidy) is deducted from the gross value of the asset concerned in arriving at the carrying amount of the related asset.

1.13 Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such asset. A qualifying asset is one that requires substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

1.14 Leases

Assets taken on finance lease are capitalized at the inception of the lease at the lower of the fair value or the present value of minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and interest cost, so as to obtain a constant periodic rate of interest on outstanding liability for each period.

Operating leases in respect of office & other equipment, house for employees, Office buildings are cancelable / renewable by mutual consent on agreed terms. Lease payments under an operating lease are recognized as an expense in the Profit and Loss Account.

1.15 Earnings per Share (EPS)

In arriving at the EPS, the Company's net profit after tax, computed in terms of the Indian GAAP, is divided by the weighted average number of equity shares outstanding on the last day of the reporting period. The EPS thus arrived at is known as 'Basic EPS'. To arrive at the diluted EPS the net profit after tax, referred above, is divided by the weighted average number of equity shares, as computed above and the weighted average number of equity share that could have been issued on conversion of shares having potential dilutive effect subject to the terms of issue of those potential shares. The date/s of issue of such potential shares determine the amount of the weighted average number potential equity shares.



1.16 Taxation

i) Current Tax

Provision for Current tax is made based on the liability computed in accordance with the relevant tax rates and provisions of Income Tax Act, 1961.

ii) Deferred Taxes

Deferred Tax is accounted for by computing the tax effect of timing differences which arise during the year and reverse in subsequent periods. Deferred tax assets are recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such Deferred Tax Assets can be realized.

1.17 Impairment of Fixed Assets

The carrying amount of assets, other than inventories is reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of the assets is estimated. The recoverable amount is the greater of the asset's net selling price and value in use which is determined based on the estimated future cash flow discounted to their present values. An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount.

1.18 Provisions for Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.

Contingent liabilities are present obligations arising from a past event, when it is not probable / probability is remote that an outflow of resources will be required to settle the obligation and they are not recognized but are disclosed in the notes.

Contingent Assets are neither recognized nor disclosed in the financial statements. Provisions for Contingent Liabilities and Contingent Assets are reviewed at each Balance Sheet date.

1.19 Commitments

Commitments are future liabilities for contractual expenditure.

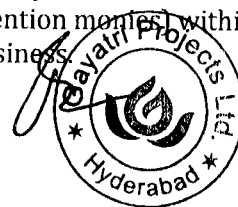
Commitments are classified and disclosed as follows:

- a. Estimated amount of contracts remaining to be executed on capital account and not provided for
- b. Uncalled liability on shares and other investments partly paid
- c. Funding related commitment to subsidiary, associate and joint venture companies and
- d. Other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

Other commitments related to sales/procurements made in the normal course of business are not disclosed to avoid excessive details.

1.20 Operating cycle for current and non-current classification

Operating cycle for the business activities of the Company covers the duration of the specific project/contract/product line/service including the defect liability period, wherever applicable and extends up to the realisation of receivables (including retention monies) within the agreed credit period normally applicable to the respective lines of business.



1.21 Cash Flow Statement

Cash Flow Statement is prepared segregating the cash flows from operating, investing and financing activities. Cash flow from operating activities is reported using indirect method. Under the indirect method, the net profit is adjusted for the effects of:

- i. transactions of a non-cash nature
- ii. any deferrals or accruals of past or future operating cash receipts or payments and
- iii. items of income or expense associated with investing or financing cash flows

Cash and cash equivalents (including bank balances) are reflected as such in the Cash Flow Statement. Those cash and cash equivalents which are not available for general use as on the date of Balance Sheet are also included under this category with a specific disclosure.

1.22 Cash and bank balances

Cash and bank balances also include fixed deposits, margin money deposits, earmarked balances with banks and other bank balances which have restrictions on repatriation. Short term and liquid investments being not free from more than insignificant risk of change in value, are not included as part of cash and cash equivalents.



2. Share Capital

₹ in Lakhs

Particulars	As at 31st March, 2016		As at 31st March, 2015	
	Number of shares	₹ in Lakhs	Number of shares	₹ in Lakhs
(i) Authorised Share Capital				
Equity shares of Rs.10/- each	8,00,00,000	8,000.00	8,00,00,000	8,000.00
(ii) Issued Share Capital				
Equity shares of Rs.10/- each	3,54,50,400	3,545.04	3,02,26,994	3,022.70
(iii) Subscribed and fully paid up Share Capital				
Equity shares of Rs.10/- each	3,54,50,400	3,545.04	3,02,26,994	3,022.70
Total	3,54,50,400	3,545.04	3,02,26,994	3,022.70

2(a) Terms / Rights, Preferences and restrictions attached to Equity Shares:

The company has only one class of shares referred to as equity shares having a par value of Rs.10/-. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting

The Board of Directors have recommended dividend of Rs.2/ per equity share in their meeting held on 30th May, 2016, subjected to approval of the shareholders in the ensuing Annual General Meeting (For the year ended 31st March, 2015 : Rs. 1.00 per equity share).

2 (b) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	As at 31st March, 2016		As at 31st March, 2015	
	Number of shares	₹ in Lakhs	Number of shares	₹ in Lakhs
Equity shares of Rs.10/- each with voting rights				
At the beginning of the period	3,02,26,994	3,022.70	3,02,26,994	3,022.70
Add: Shares issued during the year	52,23,386	522.34	-	-
Outstanding at the end of the period	3,54,50,380	3,545.04	3,02,26,994	3,022.70

2 (c) Details of shares held by the holding company, the ultimate holding company, their subsidiaries and associates: Nil

2 (d) Details of shares held by each shareholder holding more than 5% shares:

Particulars	As at 31st March, 2016		As at 31st March, 2015	
	Number of shares held	% holding	Number of shares held	% holding
Equity shares of Rs.10/- each with voting rights:				
Indira Subbarami Reddy Tikkavarapu	1,14,25,900	32.23	1,06,30,932	35.17
Sandeep Kumar Reddy Tikkavarapu	54,03,962	15.24	45,79,544	15.15
GMO Emerging Markets Fund	33,80,000	9.53	-	-
Afrin Dia	28,20,000	7.95	28,20,000	9.33
India Max Investment Fund Limited	23,57,000	6.65	23,57,000	7.80
GMO Emerging Domestic Opportunities Fund	21,10,969	5.95	20,39,278	6.75



4 Long-term borrowings

₹ in Lakhs

Particulars	As at 31st March, 2016		As at 31st March, 2015	
	Non-Current	Current	Non-Current	Current
Secured				
(i) Non-Convertible Debentures				
a. Nil (31st March, 2015: Nil) 11.50% Redeemable, Non-Convertible Debentures (NCDs) of Rs. 10,00,000/- each	-	-	-	2,927.84
b. 7,50,00,000 (31 March 2015: 15,00,00,000) 10.50% Compulsorily Convertible Debentures (CCD) of Rs.10/- (Refer note 4.1)	7,500.00	7,500.00	3,750.00	11,250.00
c. 99,25,000 - 9% Optionally Fully Convertible Debentures (OFCD) of Rs.10/- each (Refer note 4.2)	992.50	-	-	-
ii) Term Loans from Banks				
a. Equipment Loans (Refer note 4.3)	1,949.75	1,091.03	56.03	1,560.38
b. Other Term Loans (Refer note 4.4)	76,814.71	3,810.00	70,774.17	520.83
c. Project Loans (Refer note 4.5, 4.6, 4.7 & 4.8)	1,57,872.74	6,566.08	1,29,581.76	5,849.18
d. External Commercial Borrowings (Refer note 4.9)	11,792.05	620.63	13,510.27	-
iii) Term Loans from others				
a. Equipment Loans (Refer note 4.3)	6,448.91	250.58	5,074.91	982.64
b. Project Loans (Refer note 4.5, 4.6, 4.7 & 4.8)	65,940.33	3,245.87	57,208.18	16,302.85
c. Vehicle Loans (Refer note 4.10)	39.61	8.41	-	2.87
Un-Secured Borrowings				
i) Term Loans from related parties (Refer Note 4.6)	2,724.00	-	519.19	-
ii) From Directors (Interest Free Loans) (Refer Note 4.11)	152.10	-	3,300.00	-
iii) Term Loans from others	2,313.08	-	17,813.67	-
Total	3,34,539.78	23,092.60	3,01,588.18	39,396.59

- 4.1) 15,00,00,000 - 10.50% Secured Compulsorily Convertible Debentures (CCDs) of ₹10/- each issued by Gayatri Energy Ventures Pvt. Ltd., (GEVPL) a subsidiary company amounting to ₹150,00.00 Lakhs (31st March, 2015: ₹15000.00 Lakhs) are secured by way of (a) Pledge of 7,47,49,590 Equity Shares of NCC Infrastructure Holdings Ltd held by the GEVPL, (b) Pledge of 16,96,248 equity shares of GEVPL held by Gayatri Projects Limited (GPL) (c) Personal guarantee of promoter directors of GEVPL, (d) the buyback guarantee from the Company. The CCDs carry an interest rate of 10.50% p.a. payable in quarterly basis and balance 6% premium yield shall be payable at the time of buyout as a premium. The CCDs are repayable in 8 equal quarterly installments commencing from 15th May, 2016.
- 4.2) During the year, Gayatri Energy Ventures Pvt. Ltd., (GEVPL), a subsidiary company has issued 99,25,000 Unsecured Optionally Fully Convertible Debentures (OFCD) of ₹10/- each, amounting to ₹992.50 Lakhs (31st March, 2015: ₹Nil). The OFCD carry an interest of 9% cumulative and will be matured in 36 Months from the date of issue. The subscriber has an option to convert these Debentures into Equity Shares of ₹760/- per share with prior consent of the Board.
- 4.3) The Equipment loans are secured by hypothecation of specific equipments acquired out of the said loans and all these loans are guaranteed by directors. The rate of interest on these loans varies between 11% to 15%.
- 4.4) Secured Term Loans from Banks of GPL are secured by hypothecation of construction equipments not specifically charged to other banks, immovable properties of group companies and personal guarantees of the promoters. The rate of interest varies between 11% to 13% with an average yield of 12.04% p.a. and the repayment is in 84 structured monthly installments commencing from 31st July, 2016.
- 4.5) Project Loans comprising of ₹15000.00 lakhs Term Loan obtained by Bhandara Thermal Power Corporation Ltd.(BTPCL) a step-down subsidiary company is secured by a) Pledge of 100% Equity Shares of BTPCL held by its Holding Company. b) 67.76% Equity Shares of Gayatri Infra Ventures Limited (GIVL) held by the Company. c) Hypothecation of 21.291 Acres of Freehold Land at Mohadi Dist. Maharashtra held by BTPCL. d) Corporate Guarantee from GIVL and the Company e) Personal Guarantee of a Director. The rate of interest is 16% and the loan will be repaid at the end of 36 months from the date of first disbursement i.e. 30th June, 2015. Interest amount of ₹528.52 lakhs is due for more than 90 days.



4.6) Project Loans - Gayatri Infraventures Ltd. group (GIVL):

- i) Secured Indian Rupee Term Loan from Banks of ₹19383.00 Lakhs (31st March, 2015: ₹20582.00 Lakhs) of GJRL is secured by way of (a) first mortgage and charge of all the borrower's immovable properties, present and future, (b) first charge by way of hypothecation of all the movables, including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, present and future, operating cash flows, book debts and receivables and any other revenues of whatsoever nature and wherever arising, present and future, all intangibles, including but not limited to goodwill, uncalled capital, present and future, (c) assignment or creation of security interest in all Insurance Contracts/Insurance proceeds (d) Escrow Account, Debt Service Reserve, other reserves and any other bank accounts of the borrower wherever maintained (e) pledge of all the shares (equity and preference) held by the sponsors representing 51% of the paid up share capital. The facilities carry an annual interest rate of 11.20% (31 March 2015: 11.20%).
- ii) ii) Secured Indian Rupee Term Loan from Banks of ₹6923.00 Lakhs (31st March, 2015: ₹7311.00 Lakhs) of Gayatri Jhansi Roadway Limited (GJRL) is secured by way of (a) Second mortgage and charge of all the borrower's immovable properties, present and future, (b) Second charge by way of hypothecation of all the movables, including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, present and future, Operating cash flows, book debts and receivables and any other revenues of whatsoever nature and wherever arising, present and future, all intangibles, including but not limited to goodwill, uncalled capital, present and future, (c) Assignment or creation of security interest in all Insurance Contracts/Insurance proceeds, (d) Escrow Account, Debt Service Reserve, other reserves and any other bank accounts of the borrower wherever maintained, (e) pledge of all the shares (equity and preference) held by the sponsors representing 51% of the paid up share capital. The facilities carry annual interest rate ranging from 11.50% to 12.85%(31 March 2015: 11.50% to 12.85%)
- iii) Secured Indian Rupee Term Loan from Banks of ₹11541.00 Lakhs (31st March, 2015: ₹12288.00 Lakhs) of Gayatri Lalitpur Roadways Limited (GLRL) is secured by way of (a) first mortgage and charge of all the borrower's immovable properties, present and future, (b) first charge by way of hypothecation of all the movables, including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, present and future, operating cash flows, book debts and receivables and any other revenues of whatsoever nature and wherever arising, present and future, all intangibles, including but not limited to goodwill, uncalled capital, present and future, (c) Assignment or creation of security interest in all Insurance Contracts/Insurance proceeds, (d) Escrow Account, Debt Service Reserve, other reserves and any other bank accounts of the borrower wherever maintained (e) pledge of all the shares (equity and preference) held by the sponsors representing 51% of the paid up share capital. The facilities carry an annual interest rate of 11.25%(31 March 2015: 11.25%).
- iv) Secured Indian Rupee Term Loan from Banks of ₹7986.00 Lakhs (31st March, 2015: ₹8487.00 Lakhs) of GLRL is secured by way of (a) Second mortgage and charge of all the borrower's immovable properties, present and future, (b) second charge by way of hypothecation of all the movables, including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, present and future, Operating cash flows, book debts and receivables and any other revenues of whatsoever nature and wherever arising, present and future, all intangibles, including but not limited to goodwill, uncalled capital, present and future, (c) assignment or creation of security interest in all Insurance Contracts/Insurance proceeds, (d) Escrow Account, Debt Service Reserve, other reserves and any other bank accounts of the borrower wherever maintained (e) Pledge of all the shares (equity and preference) held by the sponsors representing 51% of the paid up share capital. The facilities carry an annual interest rate ranging from 11.50% to 12.85% (31 March 2015: 11.50% to 12.85%).
- v) Unsecured Rupee Term Loans of ₹2724.00 Lakhs (31 March 2015: ₹3224.00 Lakhs) of GJRL and GLRL from its shareholder's represents zero interest subordinate loan repayable after the repayment of other secured loans from banks and financial institutions.
- vi) Secured Rupee Term Loans from Banks of ₹11667.00 Lakhs (31 March 2015: ₹13472.00 Lakhs) of Cyberabad Expressways Limited (CEL) is secured by way of pari passu first charge on (a) all monies including annuity receivable from Hyderabad Growth Corridor Limited (HGCL) to the credit of the escrow Account, b) All rights, title, interest, benefits, claims and demands of the company under project agreements subject to the provisions of the concession agreement, (c) Assignment of rights, title and interest to or in favor of the lenders pursuant to and in accordance with the substitution agreement as per the provisions of the financing documents of the project. The facilities carry an annual interest rate of 11.50% (31 March 2015: 11.50%).
- vii) Secured Rupee Term Loans from Banks of ₹8999.00 Lakhs (31 March 2015: ₹9771.00 Lakhs) of Hyderabad Expressways Limited (HEL) is secured by way of pari passu first charge on (a) all monies including annuity receivable from HGCL to the credit of the escrow Account, (b) all rights, title, interest, benefits, claims and demands of the company under project agreements subject to the provisions of the concession agreement, (c) Assignment of rights, title and interest to or in favor of the lenders pursuant to and in accordance with the substitution agreement as per the provisions of the financing documents of the project. The facilities carry an annual interest rate of 11.50% (31 March 2015: 11.50%).



- viii) Secured Rupee Term Loans from Banks of ₹Nil (31 March 2015: ₹19488.00 Lakhs) of Western UP Tollways Limited (WUPTL) is secured by way of (a) first mortgage and charge in a form satisfactory to all company's immovable properties, present and future expect project assets, (b) first charge by way of hypothecation of all the company's movables, including movable plant and machinery, present and future except the project assets, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, (c) a first charge on operating cash flows, book debts and receivables and any other revenues of whatsoever nature and wherever arising present or future, (d) subject to provisions of provisions on concession agreement, first charge on the escrow account, debt service reserve, MMR and other reserves, (e) a first pledge of 100% of paid up capital till three years of commencement of commercial operations and thereafter minimum 51% of total paidup capital of the company held by the promoters during the tenure of the loan. The facilities carry an annual interest rate of Nil (31 March 2015: 11.50% to 14.00%).
- ix) Unsecured Rupee Term Loan of ₹Nil (31st March 2015: ₹2468.00 Lakhs) of WUPTL from related parties carrying interest at the annual rate of Nil (31 March 2015: 12%).

- x) Maturity Profile of the Project Loans are as under

Particulars	₹ in Lakhs	
	As at 31st March, 2016	As at 31st March, 2015
Up to 1 year	7,944.75	22,012.29
2 to 5 years	50,794.20	43,201.51
Above 5 years	25,483.27	45,376.09
	<u>84,222.22</u>	<u>1,10,589.89</u>

- xi) Details of overdue installments of principal and interest on secured and unsecured loans from banks and others

Particulars	₹ in Lakhs	
	As at 31st March, 2016	As at 31st March, 2015
Principal		
0 to 30 days	805.86	742.24
30 to 90 days	1,120.88	-
	<u>1,926.74</u>	<u>742.24</u>
Interest		
0 to 30 days	482.59	191.18
30 to 90 days	334.34	519.40
90 to 180 days	605.02	34.05
above 180 days	31.63	77.94
	<u>1,453.58</u>	<u>822.57</u>

- 4.7) Project Loans of Indore – Dewas Tollways Ltd (IDTL):

Secured Rupee Term Loan-I of ₹34964.00 Lakhs (31st March, 2015: ₹34964.00 Lakhs), Secured Rupee Term Loan-II of ₹2556.00 Lakhs (31st March, 2015: Nil) and FITL of ₹6740.00 Lakhs (31st March, 2015: ₹2515.00 Lakhs) from Banks of Indore Dewas Tollways Limited (IDTL) is secured by way of (a) all monies including Toll collected on the Project Highway to the credit of the Escrow Account as per the provisions of the Concession Agreement, (b) all the Borrower's Properties and Assets excluding the Project Assets as defined in the Concession Agreement, (c) all Tangible Assets of the Company not limited to Goodwill, undertaking and uncalled capital of the company, (d) pledge of shares aggregating to 51% of the paid-up equity capital of the Borrower, (e) all rights, title, interest, benefits, claims and demands of IDTL under project documents subject to the provisions of the Concession Agreement, (f) assignment of rights in favour of the lenders in accordance with the substitution agreement in respect of financing by the senior lenders under the financing documents for the project, (g) assignment or creation of security interest in all Insurance Contracts/Insurance proceeds. The Bankers have approved the restructuring package with the cutoff date being 1st July, 2014 with a Moratorium of 33 months for Interest and principal Obligations. The facilities carry an annual interest rate of 11% p.a.

- 4.8) Project Loans of Indore – Sai Maatarani Tollways Ltd (SMTL):

i) Secured Rupee Term Loan from Banks / Financial Institutions of ₹87937.00 Lakhs (31st March, 2015: ₹61239.00 Lakhs) of Sai Maatarani Tollways Limited (SMTL) is secured by way of (a) first mortgage and charge on all the borrower's immovable properties, present and future, if any, save and except the Project Assets, (b) a first charge by way of hypothecation on all the Borrower's tangible moveable assets, including but not limited to all current/ non-current assets, moveable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles, all other movable assets, both present and future, save and except the Project Assets, (c) a first charge on all the Borrower's bank accounts including but not limited to the Escrow Account/its Sub-Accounts, (d) a first charge on all intangibles of the Borrower including but not limited to goodwill, rights, undertakings, uncalled capital and intellectual property rights, both present and future, (e) an assignment by way of security of the right, title, interests, benefits, claims and demands of the Borrower in, to and under the Project Documents, (f) pledge of equity shares held by the Sponsor constituting 51% of the total paid up and voting equity share capital of the Borrower until the Final Settlement Date. The applicable interest rate on Term Loans shall be floating at - (a) Spread @ 2% p.a. above the Base Rate of the Lead Bank viz. IDBI Bank Ltd.; or (b) Spread @ 2% p.a. above the IIFCL benchmark rate, whichever is higher. The term loan shall be repayable in 48 unequal quarterly installments commencing from 1st January, 2018.

ii) Secured Rupee Term Loan (Subordinate Debt) from Financial Institutions of ₹8000.00 Lakhs (31st March, 2015: ₹ 8000.00 Lakhs) of SMTL is secured by way of mortgage second charge on all the borrower's immovable properties, present and future, if any, save and except the Project Assets, (b) A second charge by way of hypothecation on all the Borrower's tangible moveable assets, including but not limited to all current/ non-current assets, moveable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles, all other movable assets, both present and future, save and except the Project Assets, (c) A second charge on all the borrower's bank accounts including but not limited to the Escrow Account/its sub-accounts that may be opened in accordance with any of the Project Agreement, (d) A second charge on all intangibles of the Borrower including but not limited to goodwill, rights, undertakings, uncalled capital and intellectual property rights, both present and future, save and except the Project Assets (provided that all amounts received on account of any of these shall be deposited in the Escrow Account and that the charges on the same shall be subject to the extent permissible as per the priority specified in the Clause 31 of the Concession Agreement and Clause 4 of the Escrow Agreement). Further, a charge on uncalled capital, as set in above, shall be subject however to the provisions of Clauses 5.3 and 7.1 (k) and Clause 31 of the Concession Agreement, (e) an assignment by way of security of the right, title, interests, benefits, claims and demands of the Borrower in, to and under the Project Documents, (f) An irrevocable and unconditional corporate guarantee from the Sponsor. The applicable interest rate on Subordinate Loan shall be floating at Spread, i.e. 2% p.a. above the Interest rate applicable to IDBI Bank Ltd. as per the Common Loan Agreement. The subordinate loan is repayable in 18 quarterly installments commencing from 1st January, 2023.

4.9) External Commercial Borrowing of the Company:

Details of External Commercial Borrowing: The Company availed Foreign Currency Loan of USD \$ 24.42 million from an Indian Scheduled Bank to meet a part of funds requirement towards redemption of outstanding FCCBs. The ECB loan is repayable in 24 quarterly installments commencing from October 2013 with rate of interest at 3 months USD LIBOR+500bps.

Nature of Security : (a) Equitable mortgage of immovable property of 600 acres in the name of step down subsidiary company, (b) Pledge of 76,37,738 equity shares of GPL held by promoters, (c) Personal guarantees of the two promoter directors.

4.10) Secured Vehicle Loans of the Company availed from the Financial Institutions are secured by hypothecation of specific vehicles purchased out of the said loans. The vehicle loans carry interest rate between 11% to 15% p.a.

4.11) The promoters of the Company have brought back the dividend amount of ₹ 152.10 Lakhs as unsecured loan in compliance of the lenders stipulation for distribution of dividend to shareholders.

4.12) Maturity Profile of the Long Term Borrowings of the Company are as under:

Particulars	₹ in Lakhs			
	2017-18	2018-19	2019-20	2020-21 onwards
Equipment loans from Banks	1,392.00	557.75	--	--
Term Loans from Banks	7,303.97	8,906.30	10,220.80	50,383.62
ECB Loan	993.02	993.02	993.02	8,813.01
Equipment loans from Others	332.57	1,256.05	2,591.97	2,307.93



3. Reserves & Surplus

Particulars	₹ in Lakhs	
	As at 31st March, 2016	As at 31st March, 2015
(a) Capital Reserve		
Opening balance	143.40	143.40
Add : Additions to Reserve during the year	-	-
Closing balance	143.40	143.40
(b) General Reserve		
Opening balance	10,500.00	10,000.00
Add: Amount transferred from Statement of Profit and Loss	500.00	500.00
Add : Amount transfer from DRR	1,300.00	-
Closing balance	12,300.00	10,500.00
(c) Capital Grant	21,529.18	5,052.40
(d) Capital Reserve on Consolidation	-	24,274.07
(e) Securities Premium Account		
Opening balance	28,519.93	42,929.60
Add: Premium received on Shares issued during the year	10,121.87	-
Less : Adjusted due to Subsidiary become Associate	-	(14,409.67)
Closing balance	38,641.80	28,519.93
(f) Debenture Redemption reserve		
Opening balance	1,300.00	1,300.00
Less: Amount Transferred to General Reserve	(1,300.00)	-
Closing balance	-	1,300.00
(g) Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	344.76	4,393.08
Add : Surplus / (Deficit) for the year	122.86	(3,169.38)
(+)Add / (-) Less : Other Adjustments of Subsidiaries/Associates	834.32	171.97
Amount available for Appropriation	1,301.94	1,395.67
Less: Appropriations		
Dividend and Dividend Tax (Prev.year)	42.16	-
Dividend and Dividend Tax	853.35	353.64
Adjustment relating to Fixed Assets	-	197.27
Transferred to General Reserve	500.00	500.00
Closing balance	(93.57)	344.76
Total (a+b+c+d+e+f+g)	72,520.81	70,134.56

5. Deferred Tax Liabilities (Net)

Particulars	₹ in Lakhs	
	As at 31st March, 2016	As at 31st March, 2015
(a) Deferred Tax (Asset) on timing Differences due to:		
Provision for Gratuity and Leave Encashment	(70.56)	(8.27)
Carry Forward losses	357.25	(357.25)
(b) Deferred Tax Liability on timing differences due to:		
Depreciation	1,664.95	2,884.52
Total	1,951.64	2,519.00

6. Other Long-Term Liabilities

Particulars	₹ in Lakhs	
	As at 31st March, 2016	As at 31st March, 2015
(a) Advances from Contractees	66,352.15	46,359.03
(b) Margin Money Deposits received	6,760.25	7,149.39
(c) Additional Concession Fee payable to NHAI*	1,12,928.07	4,201.43
(d) Interest accrued but not due	1,889.12	1,181.77
(e) Retention Money Payable	3,787.55	3,628.99
Total	1,91,717.14	62,520.61



*** Additional Concession Fee payable to NHAI by Indore Dewas Tollways Limited :**

In order to more appropriately present the Financials statements of the company, the total premium amount of ₹ 1,18,119.81 Lakhs as per the Concession Agreement, has been capitalized as "Intangible Assets" and amortized over a period of service concession Agreement as per the method prescribed in Part A to the Schedule II to the Companies Act, 2013 and corresponding Obligation for committed premium has been recognised as liabilities.

The Contractual Obligation to pay premium (Additional Concession Fees) to National Highways Authority of India over the Concession period has been recognized upfront on an undiscounted basis when the project gets completed as per the Concession Agreement and is a part of the "Intangible Asset " and corresponding Obligation for committed premium is recognized as liabilities.

Additional Concession fee has to be paid to National Highways Authority of India as per clause 26.2.1 of the Concession Agreement dated 17th May, 2010. National Highways Authority of India has granted deferment of Additional concession fees payable to them vide their sanction letter dated 11th June, 2014 . Interest on the Additional concession fees payable to National Highways Authority of India for the FY 15-16 is not provided in the books of accounts as National Highways Authority of India has deferred the premium payment upto 6 years. The Interest liability on Additional Concession fees has neither accrued nor due until the completion of the 6 years upto which NHAI has deferred the premium. After the completion of the 6th year, NHAI will review the deferment of premium payment based on the cash flows available then. The liability accrues and becomes due as and when there are cash flows sufficient for the payment of premium. At the end of the 6th year based on the the cash flow position, National Highways Authority of India will review the deferment proposal and may extend the deferment, if the cash flows are not sufficient to meet the debt and O&M obligations.

There is a decline in the Toll collections due to the non maintenance of the adjoining stretches of the project highway i.e., Shivpuri to Dewas & Ghar to Dewas. The development of those stretches were stalled due to issues between the National Highways Authority of India and the developer to whom the projects were awarded. Now Shivpuri - Dewas project has been awarded on EPC basis to new developers, which are expected to be completed within a period of 3-4 years from now. Till such time the revenues from the Toll collections seem bleak and no surplus cash flows are being expected after debt obligations, so as to pay the Additional Concession fees to National Highways Authority of India or Interest thereon. In view of the total stress in the Funds flow the management has considered that the liability accrues and becomes due as and when the cash flows are sufficient for the payment as explained above.

7. Long-Term Provisions

Particulars	₹ in Lakhs	
	As at 31st March, 2016	As at 31st March, 2015
(a) Employee Benefits	915.74	704.65
(b) Provision for Periodic Maintenance	7,792.57	7,353.03
Total	8,708.31	8,057.68

8. Short Term Borrowings

Particulars	₹ in Lakhs	
	As at 31st March, 2016	As at 31st March, 2015
(a) Secured Working Capital Facilities (Refer Note No.8.1)	89,021.38	79,178.76
(b) Unsecured Term loans:		
(i) Related parties (Refer Note No.8.2)	1,068.07	6,216.62
(ii) Others	708.37	-
Total	90,797.82	85,395.38

Nature of Security and Terms of Repayment

8.1 Working Capital Facilities (Secured)

The working capital facilities from the consortium of Banks are secured by:

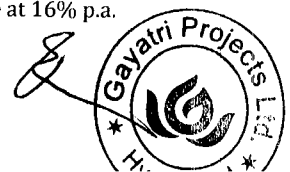
- Hypothecation against first charge on stocks, book debts and other current assets of the Company both present and future ranking *paripassu* with consortium banks.
- Hypothecation against first charge on all unencumbered fixed assets of the Company both present and future ranking *paripassu* with consortium banks.
- Equitable mortgage of properties belonging to promoters, directors, group companies.
- Personal guarantee of promoter directors, group companies/firms and relatives.

Period and amount of interest due as on balance sheet date:

- Interest amount of ₹ 8.28 crores for the month of March, 2016 charged on 31.03.2016 is due on balance sheet date.

8.2 Unsecured loans from related parties

The unsecured loans received from related parties are repayable on demand along with interest rate at 16% p.a.



9. Trade Payables:

Particulars	₹ in Lakhs	
	As at 31st March, 2016	As at 31st March, 2015
(a) Micro, Small and Medium Enterprises *	-	-
(b) Others	46,008.11	39,934.61
Total	46,008.11	39,934.61

* There are no Micro, Small and Medium Enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006 to whom the Company owes dues on account of principal amount together with interest and accordingly no additional disclosures have been made. The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

10. Other current liabilities

Particulars	₹ in Lakhs	
	As at 31st March, 2016	As at 31st March, 2015
(a) Current maturities of Long Term Borrowings		
(i) Non Convertible Debentures		
292.78 (31st March, 2013: 156) 11.50% Redeemable Non-Convertible Debentures (NCDs) of Rs. 10,00,000/- each	-	2,927.84
(ii) 11,25,00,000 10.50% Compulsorily Convertible Debentures (CCD) of Rs.10/- each	7,500.00	11,250.00
(iii) Term Loans	15,592.60	25,218.75
(b) Interest accrued but not due on Borrowings	1,665.61	2,519.35
(c) Interest accrued and due on Borrowings	3,162.21	3,682.58
(d) Unpaid Dividends	4.34	5.43
(e) Remuneration payable to Directors	109.69	109.11
(f) Application Money received for allotment	35.69	1,028.20
(g) Capital Creditors	-	2,853.65
(h) Statutory Payables	4,089.57	3,419.38
(i) Liabilities held for sale (Refer Note No.30.20)	22,851.01	-
(j) Other Payables	4,010.66	3,890.77
Total	59,021.38	56,905.06

11. Short-Term Provisions

Particulars	₹ in Lakhs	
	As at 31st March, 2016	As at 31st March, 2015
(a) Employee Benefits	9.88	7.20
(b) Provision for Periodic Maintenance	1,298.39	1,384.72
(c) Provision for Dividend & Dividend Distribution Tax	853.35	456.38
(d) Provision for Expenses	10.05	10.56
(e) Provision for Income Tax	16.26	-
Total	2,187.93	1,858.86



12. Statement of Fixed Assets and Depreciation / Amortisation

₹ in Lakhs

	As at April 1, 2015	Additions during the year	Deductions / Retirement / Adjustment during the year	As at March 31, 2016	Upto April 1, 2015	For the Year	Deductions / Adjustment during the Year	As at March 31, 2016	As at March 31, 2015
a) Tangible Assets									
Land	6,249.61	9.75	3.09	6,256.27	-	-	-	6,256.27	6,249.61
Roads & Buildings	-	-	-	-	-	-	-	-	-
Plant and Equipment	37,829.72	5,139.07	4,641.82	38,326.97	22,642.47	3,131.37	4,276.20	16,829.33	15,187.25
Vehicles	2,770.35	470.69	265.71	2,975.33	1,706.90	335.15	262.95	1,779.10	1,063.45
Wind Power Equipment	5,936.86	-	-	5,936.86	1,144.01	263.95	-	4,528.90	4,792.85
Furniture and Fixtures	416.34	12.38	97.44	331.28	276.23	32.34	95.05	117.76	140.11
Sub-total:	53,202.88	5,631.89	5,008.06	53,826.71	25,769.61	3,762.81	4,634.20	28,928.49	27,433.27
b) Intangible Assets									
Goodwill on consolidation	2,376.66	1,847.27	-	4,223.93	-	-	-	4,223.93	2,376.66
Goodwill on Amalgamation	0.97	-	-	0.97	-	-	-	0.97	0.97
Carriage Way	1,38,549.89	1,74,169.93	34,210.29	2,78,509.53	34,498.37	11,380.61	8,226.40	2,40,856.95	1,04,051.52
Computer Software	193.01	-	-	193.01	27.66	7.72	-	157.63	165.35
Sub-total:	1,41,120.53	1,76,017.20	34,210.29	2,82,927.44	34,526.03	11,388.33	8,226.40	2,45,239.48	1,06,594.50
Total	1,94,323.41	1,81,649.09	39,218.35	3,36,754.15	60,295.64	15,151.14	12,860.60	2,74,167.97	1,34,027.77
Less : Transferred to Preoperative Expenditure/Capital Work in Progress/Reserves						(2.06)			
Net Depreciation						15,149.08			

12.c Capital work in progress

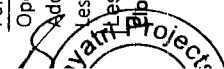
₹ in Lakhs

Particulars	As at 31st March, 2016	As at 31st March, 2015
Opening Balance	582.96	6,90,644.23
Add : Expenditure incurred during the year	53.89	45.01
Less : Transfer to Asset / Capitalised during the year/Adjusted	-	(6,90,106.28)
Closing Balance	636.85	582.96

12.d Intangible assets under development

₹ in Lakhs

Particulars	As at 31st March, 2016	As at 31st March, 2015
Opening Balance	1,47,485.18	1,02,666.81
Add : Expenditure incurred during the year	1,70,206.01	46,836.37
Less : Capitalised during the year	(1,67,212.98)	-
Less : Adjustment for change in status of erstwhile Subsidiary into Associate	(517.41)	(2,018.00)
Closing Balance	1,49,960.80	1,47,485.18



13. Non-current investments

Particulars	₹ in Lakhs	
	As at 31st March, 2016	As at 31st March, 2015
Non-Trade investments (valued at cost unless stated otherwise)		
Unquoted		
A. Investment in Associate Companies		
22,47,27,125 (Previous Year:Nil) Equity share of Rs.10/- each fully paid - NCC Infrastructure Holdings Ltd (Refer Note No.13.1)	20,528.90	22,376.03
30,000 (Previous Year:30,000) equity share of Rs.10/- each fully paid up - Sembcorp Gayatri O&M Co. Pvt Ltd	2.08	2.20
241600000 (Previous Year:236600000) equity share of Rs.10/- each fully paid up Thermal Powetech Corporation Indian Limited (Refer note 13.2)	24,161.60	48,434.07
B. Other Investments		
Unquoted		
2,35,00,000 (Previous year Nil) 9% non-convertible redeemable cumulative preferential Shares of Rs.10/- each, fully paid in Gayatr Hitech Hotels Ltd. (Refer Note No. 30.10)	23,500.00	-
24,79,338 (Previous Year:24,79,338) Equity shares of Rs.10/- each fully paid up - Jimbhush Power Generation Pvt Ltd (Refer note 13.3)	3,000.00	3,000.00
Land (Investment in Property)	3.09	-
Quoted - at Cost		
11,63,607 (Previous Year 11,63,607) Equity Shares of Rs.10/- each in Gayatri Sugars Ltd., (Refer note 13.4)	293.10	293.10
1,728 (Previous Year 1,728) Equity Shares of Rs.10/- each in Syndicate Bank Ltd.,	0.86	0.86
Investments in Mutual Funds	-	35.00
Less: Provision for diminution in value of Investment (Refer note 13.4)	(278.44)	(278.44)
Total	71,211.19	73,862.82

Details of Quoted and Unquoted Investments:

Particulars	₹ in Lakhs	
	As at 31st March, 2016	As at 31st March, 2015
Aggregate Amount of Quoted Investment	15.52	15.52
Aggregate Market value of Quoted Investment	59.35	19.55
Aggregate Amount of Unquoted Investment	71,211.19	73,862.82

13.1 7,47,49,590 Equity Shares of NCC Infrastructure Holdings Ltd held by the Gayatri Energy Pvt Ltd are pledged in favour of IFCI Limited as collateral security for the debentures issued by the Subsidiary Company.

13.2 23,65,99,300 Equity Shares of TPCIL are pledged in favour of Rural Electrification Corporation Ltd as collateral security for the loan availed by TPCIL.

13.3 In pursuance of Exit Agreement entered between Gayatri Energy Venture Pvt. Ltd (GEVPL) and Jinbhush Power Generation Private Limited (JPGPL), 2,74,49,989 Equity Shares of JPGPL held by the GEVPL are pledged in favour of JPGPL.

13.4 The company has made provision for the diminution in the market value of quoted investments in the books as envisaged in the Companies (Accounting Standard) Rules, prescribed by the Central Government.

14. Long-term loans and advances

Particulars	₹ in Lakhs	
	As at 31st March, 2016	As at 31st March, 2015
To Related Parties - Unsecured, Considered Good		
Subordinate Shareholders' Contribution to Associate Companies	11,565.58	10,949.60
Other Advances	517.12	0.45
To Others - Unsecured, Considered Good		
- Capital Advances	-	7,193.73
- Other Advances (Refer Note No .30.14)	33,490.08	33,032.14
- Security Deposit with Govt. Depts and Others	57.44	73.60
- Deposits with Customs departments	-	1,250.51
Total	45,630.22	52,500.03



15. Other Non-Current Assets

Particulars	₹ in Lakhs	
	As at 31st March, 2016	As at 31st March, 2015
(a) Advance for purchase of Equity Shares (Refer Note No.30.16)	10,000.00	10,000.00
(b) Receivable from Related Parties (Refer Note No.30.10)	-	21,851.46
Total	10,000.00	31,851.46

16. Current Investments

Particulars	₹ in Lakhs	
	As at 31st March, 2016	As at 31st March, 2015
Mutual Funds	30.00	76.79
Total	30.00	76.79

17. Inventories

Particulars	₹ in Lakhs	
	As at 31st March, 2016	As at 31st March, 2015
(a) Construction materials, Stores and Spares	6,933.58	9,994.76
(b) Work in Progress	8,563.71	14,207.53
Total	15,497.29	24,202.29

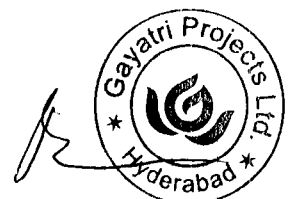
18. Trade Receivables

Particulars	₹ in Lakhs	
	As at 31st March, 2016	As at 31st March, 2015
Trade receivables outstanding for a period less than six months from the date they are due for payment		
Unsecured, considered good*	63,007.86	55,877.80
Unsecured, considered doubtful	-	-
Less: Provision for doubtful debts	-	-
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	18,112.26	3,298.48
Unsecured, considered doubtful	-	-
Less: Provision for doubtful debts	-	-
Total	81,120.12	59,176.28

* Includes claims amount receivable of ₹ 4106.84 lakhs

19. Cash and cash equivalents

Particulars	₹ in Lakhs	
	As at 31st March, 2016	As at 31st March, 2015
(a) Cash on hand	64.98	63.46
(b) Balances with banks		
In current accounts	15,157.40	12,474.56
In deposit accounts (due with in 12 months)		
i. Margin money for Bank Guarantees / LCs	15,679.36	9,801.87
ii. Other Deposits	1,738.22	2,743.76
Total	32,639.96	25,083.65



20. Short-term loans and advances

Particulars	₹ in Lakhs	
	As at 31st March, 2016	As at 31st March, 2015
To Related Parties - Unsecured, Considered Good		
- Advances to Holding Company	735.31	6,660.24
- Loans and Advances to Associates	5,885.24	5,347.27
To Others - Unsecured, Considered Good		
- Advances to Suppliers	1,798.51	646.59
- Advances to Sub-Contractors (Refer Note No.30.15)	76,788.21	58,023.51
- Staff Advances	231.75	189.33
- Advances with Govt. Departments	10,945.31	7,829.10
- Other Advances	1,787.24	2,056.21
Total	98,171.57	80,752.25

21. Other current assets

Particulars	₹ in Lakhs	
	As at 31st March, 2016	As at 31st March, 2015
(a) Interest accrued but not due	75.19	74.04
(b) Advance for purchase of Equity Shares (Refer Note No.30.17)	2,490.83	2,471.40
(c) Annuity Income accrued but not due	1,977.27	2,287.93
(d) Prepaid Expenses	58.87	183.50
(e) Others (Refer Note No.30.12)	250.22	354.05
(f) Receivable from Disposal of interest in JCE (Refer Note No.30.20)	27,213.83	-
Total	32,066.21	5,370.92

22. Revenue from Operations

Particulars	₹ in Lakhs	
	For the year ended 31st March, 2016	For the year ended 31st March, 2015
(a) Construction Revenue	1,23,868.57	86,717.95
(b) Materials Supply Revenue	10,160.60	35,631.22
(c) Claims	-	4,518.20
(d) Revenue from Electricity Generation	2,077.53	579.51
(e) Share of profit from Joint Ventures	388.90	186.42
(f) Annuity Income	17,779.00	17,779.00
(g) Toll Revenue	7,766.30	4,664.62
Total	1,62,040.90	1,50,076.92

23. Other income

Particulars	₹ in Lakhs	
	For the year ended 31st March, 2016	For the year ended 31st March, 2015
(a) Interest income from Fixed Deposits & Others	520.50	367.96
(b) Other Miscellaneous Income	798.67	416.99
Total	1,319.17	784.95

24. Consumption of Materials and Cost of Purchases & Services

Particulars	₹ in Lakhs	
	For the year ended 31st March, 2016	For the year ended 31st March, 2015
(a) Steel	5,046.71	6,170.64
(b) Cement	3,112.77	2,574.93
(c) Bitumen	5,473.76	4,045.15
(d) Metal	5,499.23	3,213.47
(e) Sand & Gravel	853.77	772.07
(f) Electrical Materials	1,625.65	8,823.74
(g) Railway Line Materials	1,531.96	4,519.49
(h) Coal Handling System Materials	3,535.27	13,228.08
(i) RCC & GI Pipes	84.59	87.53
(j) HSD Oils & Lubricants	3,630.29	4,224.48
(k) Stores and Consumables	318.79	470.04
(l) Other Materials	333.38	47.19
Total	31,046.17	48,176.81



25. Work Expenditure

Particulars	₹ in Lakhs	
	For the year ended 31st March, 2016	For the year ended 31st March, 2015
(a) Departmental Recoveries	3,285.23	1,953.27
(b) Work executed by sub contractors	39,020.84	19,069.56
(c) Earth Work	10,204.41	8,722.11
(d) Concrete Work	3,547.77	7,817.64
(e) Transport Charges	1,455.03	1,007.11
(f) Hire Charges	1,441.21	1,397.30
(g) Road work	3,103.61	8,438.94
(h) Repairs and Maintenance	1,489.62	965.32
(i) Taxes and Duties	3,324.97	3,738.18
(j) Royalties, Seigniorage and Cess	1,128.91	582.02
(k) Insurance	163.87	138.16
(l) Operation & Maintenance Expenses	4,831.39	3,805.96
(m) Other Work Expenditure	4,836.89	4,690.60
Total	77,833.75	62,326.17

26. Change in Inventories of Work-in-Progress

Particulars	₹ in Lakhs	
	For the year ended 31st March, 2016	For the year ended 31st March, 2015
Opening Work in Progress	14,207.53	13,619.16
Less : Closing Work in Progress	-8,563.71	-14,207.53
Total	5,643.82	(588.37)

27. Employee benefits expense

Particulars	₹ in Lakhs	
	For the year ended 31st March, 2016	For the year ended 31st March, 2015
(a) Salaries & Wages	2,399.19	2,084.35
(b) Director's Remuneration	529.41	444.00
(c) Staff Welfare Expenses	257.47	318.26
(d) Contribution to Statutory Funds	136.60	94.14
Total	3,322.67	2,940.75

28. Finance costs

Particulars	₹ in Lakhs	
	For the year ended 31st March, 2016	For the year ended 31st March, 2015
(a) Interest on Term Loans	24,458.48	19,498.22
(b) Interest on Debentures	194.38	3,079.31
(c) Interest on Working Capital Facilities	7,657.25	7,012.03
(d) Interest on ECB Loan	1,239.95	1,306.55
(e) Exchange loss on ECB Loan	46.19	199.38
(f) Bank Guarantee & Other Financial Charges	445.26	280.18
	34,041.51	31,375.67
Less : Interest on BG/LC Margin money deposits	(1,106.92)	(1,059.48)
Interest on Loans & Advances given	(4,416.49)	(3,788.18)
Total	28,518.10	26,528.01

29. Other expenses

Particulars	₹ in Lakhs	
	For the year ended 31st March, 2016	For the year ended 31st March, 2015
(a) Advertisement expenses	46.98	29.87
(b) Audit fee	85.47	65.83
(c) Donations & Corporate Social Responsibility Expenditure	301.99	313.68
(d) Insurance charges	66.46	56.70
(e) Consultancy, Legal & professional charges	988.88	742.11
(f) General Expenses	120.72	111.54
(g) Power & fuel	140.28	129.96
(h) Miscellaneous expenses / Other administration expenses	461.23	445.67
(i) Printing & stationery	54.81	52.10
(j) Rent	355.29	358.47
(k) Taxes & licenses	89.95	60.17
(l) Tender Expenses	61.99	39.30
(m) Telephone	62.73	69.20
(n) Traveling, Conveyance & Stay expenses	501.38	365.65
(o) Loss on sale of assets / Impairment of assets	-	214.47
Total	3,338.16	3,054.72



30.0 Other Notes forming part of the Consolidated Financial Statements:

30.1 All amounts in the financial statements are presented in ₹ in Lakhs except per share data and as otherwise stated. Figures in brackets represent corresponding previous year figures in respect of Profit & Loss items and in respect of Balance Sheet items as on the Balance Sheet date of the previous year. Figures for the previous year have been regrouped / rearranged wherever considered necessary to conform to the figures presented in the current year.

30.2 Basis of preparation of consolidated financial statements:

Gayatri Projects Limited ("the company") has presented consolidated Financial statements by consolidating its own financial statements with those of its Subsidiaries, Associates and Joint Ventures in accordance with Accounting Standard- 21(Consolidated Financial statements), Accounting Standard-23 (Accounting for Investments in Associates in consolidated Financial statements) and Accounting Standard - 27 (Financial reporting of Interests in joint ventures) notified in section 211 (3C) of the Companies Act, 1956.

The Financial statements of each of those Subsidiaries, Associates and Joint Ventures are prepared in accordance with the generally accepted accounting principles & accounting policies of Parent Company. The effects of inter-company transactions between consolidated companies/entities are eliminated in consolidation.

30.3 Disclosure of particulars regarding Subsidiaries, Joint ventures and Associates.

Subsidiaries, Joint Ventures and Associates Included in Consolidated Financial statements in terms of AS-21, AS-23 and AS-27 are as follows :

S.No	Name of the Entity	Nature of the Entity	% of Holding	Country of Incorporation
1	Gayatri Energy Ventures Private Limited	Wholly owned Subsidiary	100	India
2	Gayatri Infra Ventures Limited	Subsidiary	70.59	India
3	Sai MaatariniTollways Limited	Subsidiary	99.51	India
4	Balaji Highways Holding Limited	Associate	49	India
5	HKR Roadways Limited	Associates	26 (33.77 along with subsidiary)	India
6	Indore DewasTollways Limited (Considered as subsidiary as per AS-21 for consolidation)	Associate	33.33 (66.66 along with subsidiary)	India
7	IJM Gayatri Joint Venture	Joint Venture	40	India
8	Jaiprakash Gayatri Joint Venture	Joint Venture	49	India
9	Gayatri ECI Joint Venture	Joint Venture	50	India
10	Gayatri Ratna Joint Venture	Joint Venture	80	India
11	Gayatri - Ranjit Joint Venture	Joint Venture	60	India
12	Gayatri - GDC Joint Venture	Joint Venture	70	India
13	Gayatri - BCBPPL Joint Venture	Joint Venture	60	India
14	Gayatri - RNS Joint Venture	Joint Venture	60	India
15	Gayatri - JMC Joint Venture	Joint Venture	75	India
16	MEIL-Gayatri-ZVS-ITT Consortium	Joint Venture	48.44	India
17	Viswanath-Gayatri Joint Venture	Joint Venture	50	India
18	Maytas-Gayatri Joint Venture	Joint Venture	37	India
19	GPL-RKTCPL Joint Venture	Joint Venture	51	India
20	GPL-SPL Joint Venture	Joint Venture	51	India
21	Vishwa-Gayatri Joint Venture	Joint Venture	49	India



30.4. Contingent Liabilities and Commitments

The details of the Contingent Liabilities and Commitments to the extent not provided as follows:

a. Contingent Liabilities

Particulars	₹ in Lakhs	
	As at 31 st March, 2016	As at 31 st March, 2015
a) Claims against the Company	90.33	225.13
b) Guarantees given by the Banks towards performance & Contractual Commitments	1,23,892.32	77,539.41
c) Corporate Guarantees given to group companies	2,98,048.00	8,38,456.00
d) Disputed Liability of Income Tax, Sales Tax, Service Tax, Etc.,	13,635.73	14,617.34

b. Commitments

Particulars	₹ in Lakhs	
	As at 31 st March, 2016	As at 31 st March, 2015
Contracts remaining to be executed on capital accounts (net of advances)	78,666.16	1,25,887.22
Commitments towards investment in subsidiaries, Joint Ventures and Associates	-	25,480.00
Other Commitments (as stated in subsidiary company financials.	2,410.00	2,410.00

30.6. EARNING PER SHARE (EPS)

Basic Earning Per Share is calculated as per Accounting Standard 20 on Earnings Per Share.

Particulars	2015-16	2014-15
Profit After Tax for calculation of Basic EPS (₹ in Lakhs)	122.86	(3547.27)
Profit After Tax for calculation of Diluted EPS (₹ in Lakhs)	122.86	(3547.27)
Weighted average No. of equity shares as denominator for calculating Basic EPS. (No. in Lakhs)	335.04	302.27
Weighted average No. of equity shares as denominator for calculating Diluted EPS. (No. in Lakhs)	335.04	302.27
Basic EPS (₹)	0.35	(10.49)
Diluted EPS (₹)	0.35	(10.49)

30.7 Related party transactions pursuant to Accounting Standard AS-18

(i) Details of related parties:

Entities in which KMP are interested	Key Management Personnel (KMP)
Deep Corporation Pvt. Ltd	Mr. T.V.Sandeep Kumar Reddy
Indira Constructions Pvt. Ltd	Mr. J.Brij Mohan Reddy
Gayatri Sugars Ltd	Mrs.T.Indira Reddy
Gayatri Hi-Tech Hotels Ltd	Mr.T.Rajiv Reddy
Gayatri Property Ventures Pvt. Ltd.	Mr.T.Aniruth Reddy
Gayatri Hotels & Theaters Pvt. Ltd	Mr.P.Sreedhar Babu (CFO)
GSR Ventures Pvt. Ltd.	Mrs.I.V.lakshmi (CS & CO)
Gayatri Tissue & Papers Ltd.	
Indira Energy Holdings P.Ltd.	
Gayatri Bio-Organics Limited	
TSR Foundation	
Dr.T.Subbarami Reddy (HUF)	
Balaji Charitable Trust	
TSR Lalitakala Parishad	
T.V.Sandeep Kumar Reddy & Others	



(ii) Transactions with the related parties:

₹ in Lakhs

Sl No.	Description	2015-16		2014-15	
		Entities in which KMP are interested	KMP & their Relatives	Entities in which KMP are interested	KMP & their Relatives
1	Equity Contribution	23,500.00	-	-	-
1	Contract Receipts	515.08	-	1,105.22	-
2	Contract payments	359.32	-	385.10	-
3	Office Rent & Maintenance	113.00	-	110.14	-
4	Other Payments	12.83	79.12	52.48	67.81
5	Donations	149.52	-	176.90	-
6	Remuneration Paid		529.41		444.00
7	Contract Advances/ Other Adv.	84.00	-	-	-
8	Unsecured Loans received	-	152.10	-	3,300.00
9	Corporate Guarantees	-	-	-	-
10	Closing balances - Debit	1156.58	-	25,099.87	-
11	Closing balances - Credit	417.12	261.79	110.53	3,409.11

30.8 Hedged Foreign Currency Exposures

The year end foreign exposures that have been hedged by a derivate instrument or otherwise are given below:

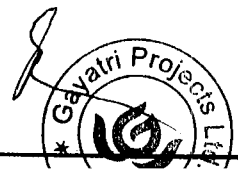
Amount in Lakhs

Particulars	Currency	2015-16		2014-15	
		Foreign Currency Equivalent	Rupee Equivalent	Foreign Currency Equivalent	Rupee Equivalent
Amount payable in Foreign Currency:					
Hedged :					
External Commercial Borrowings (ECB)	USD	210.38	12412.69	229.78	13510.27
Un-hedged					
External Commercial Borrowings (ECB)	USD	Nil	Nil	Nil	Nil

30.9 Segment Reporting

The Company's operations predominantly consist of providing infrastructure facilities. Hence there are no reportable segments under Accounting Standard - 17. During the year under report, the Company's business has been carried out only in India. The conditions prevailing in India being uniform, no separate geographical disclosures are considered necessary.

30.10 As per the approval of Board and Shareholders of the Company, Gayatri Hi-tech Hotels Ltd (GHHL), a related party of the Company, has allotted 2,35,00,000 - 9% Cumulative Redeemable Preference Shares (CRPS) of ₹ 10/- each at a premium of ₹ 90/- per share against receivables from GHHL.



- 30.11 As per an expert opinion, during the year the Company has claimed deduction u/s 80IA of the Income Tax Act, 1961 in respect of income earned on infrastructure projects.
- 30.12 In pursuance of share purchase agreement entered between the Company and AMP Capital Finance Mauritius Limited (AMP) to purchase shares of Gayatri Infra Ventures Limited held by AMP, an amount of `200.01 Lakhs has been paid as an advance towards purchase of shares.
- 30.13 (a) During the year, the Company has issued 16,19,386 Equity Share of ₹ 10/- each at a premium of ₹193.78 per equity share by way of preferential allotment to promoters against unsecured loans of ₹33.00 crores received during the previous year, in terms of the Master Restructuring Agreement entered with the Company's Lenders.
- (b) The company has further issued 36,04,000 Equity Shares of ₹10 each at a premium of ₹193.20 on preferential allotment / private placement.
- 30.14 Some of the Contract Advances given by the Company in earlier years and which are long pending for recovery due to reasons beyond the control of both the parties have been converted to interest bearing loans and grouped under "Long term Loans & Advances". The management of the Company has already initiated steps to recover the same and is confident that these advances / loans will be recovered and hence no provision has been made in the financials.
- 30.15 Advances to sub-contractors include amounts paid as work advances to certain sub-contractors wherein the corresponding contract works are yet to commence. In the opinion of the management, the said contract works have not commenced due to certain extraneous factors beyond the control of such sub-contractor and without any default/failure of performance from their end. The management is confident to commence the works in near future and recover the advances from the sub-contractors.
- 30.16 During the previous financial years one of the Subsidiary Company had given an Amount of `100 crores to NCC Ltd for the purpose of acquisition of equity shares of NCC Infrastructure Holdings Limited (NCCIHL). As per the amended agreement dated on 14 November, 2014 the shares will be allotted to Gayatri Energy Ventures Private Limited in 3 tranches on or before 31st March, 2017.
- 30.17 During the previous financial years, one of the Subsidiary Company Gayatri Energy Ventures Pvt. Ltd. (GEVPL) had made various investments in Jinbhuvish Power Generation Private Limited (JPGPL) by way of acquisition of shares, share application money, advance for purchase of equity shares total amounting to `54.91 crores. During the previous financial years the GEVPL had entered into an Exit Agreement dated 25th May 2013 with JPGPL, which was duly amended by various letter agreements from time to time and as per the latest letter agreement dated 31st October 2015, the GEVPL shall exit from JPGPL by 31st October 2016.
- 30.18 In the opinion of the management and to the best of their knowledge and belief, the value of the assets reported under Long Term Loans and Advances and Current Assets are approximately of the value stated, if realized in ordinary course of business, unless stated otherwise. The provision for all known liabilities is adequate and not in excess of amount considered reasonably necessary.
- 30.19 There are no amounts due and outstanding to be credited to Investors Education & Protection Fund as on 31-03-2016 and amounts which are required to be transferred to such fund have been transferred.



- 30.20 One of the Subsidiary Company Gayatri Infraventures Limited (GIVL) has entered into a definitive sale agreement dated 19 January 2016 with Cube Highways and Infrastructure PTE Limited for divestment of its entire equity stake amounting to `4,606.09 Lakhs held in Western UP Tollway Limited, a jointly controlled entity. On the basis of assessment of the status of compliances with certain mandatory conditions stipulated in the agreement and pending finalisation of the sale consideration, the financial statements of the jointly controlled entity have been accordingly consolidated in the financial statement of the GIVL group as at and for the year ended 31 March 2016 and duly disclosed as a discontinuing operations in accordance with the provisions of Indian GAAP. The details of the assets, liabilities, income and expenditure pertaining to the aforesaid jointly controlled entity, duly consolidated, considered for consolidation in the financial statements of GIVL group as at and for the year ended 31 March 2016 are as follows:

Particulars	₹ in Lakhs	
	Amount	
Share in liabilities	22,851.01	
Share in assets	27,213.83	
Revenue	5,142.32	
Expenses	6,635.11	
Loss for the year	(1,492.79)	
Net decrease in cash and cash equivalents	(450.74)	

- 30.21 Additional Information pursuant to Schedule III of the Companies Act, 2013.

i) CIF value of Imports

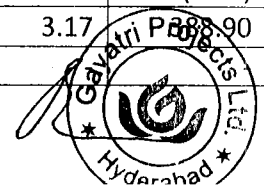
Sl. No.	Particulars	₹ in Lakhs	
		2015-16	2014-15
1	Purchase of Capital Goods	1,155.67	Nil

ii) Expenditure / (Income) in Foreign Currency:

Sl. No.	Particulars	₹ in Lakhs	
		2015-16	2014-15
1	Travelling Expenses	20.92	15.37
2	Profession Fee	12.64	-
3	Interest on ECB Loan	811.95	1,599.81

- 30.22 Additional information as required by paragraph 2 of the General Instructions for the preparation of Consolidated Financial Statements to Schedule III of Companies Act, 2013.

Name of the Entity	Net Assets i.e. total assets minus total liabilities		Share in profit or Loss	
	As % of Consolidated net assets	Amount (₹ in Lakhs)	As % of consolidated profit / (loss)	Amount (₹ in Lakhs)
Parent - GPL	107.59	81,849.29	47.73	5,864.84
Subsidiary - Indian				
Gayatri Energy Ventures Pvt. Ltd.	(18.41)	(14,007.23)	(3.40)	(418.32)
Gayatri Infra Ventures Limited	(15.97)	(12,147.06)	(26.78)	(3,290.75)
Sai Maatarini Tollways Limited	28.20	21,453.62	(0.08)	(8.27)
Indore Dewas Tollways Limited	(3.17)	(2,410.56)	(19.63)	(2,411.78)
Associates - Indian				
Balaji Highways Holding Limited	-	-	-	-
HKR Roadways Limited	-	-	-	-
Joint Ventures - Indian				
IJM Gayatri Joint Venture	0.06	41.96	0.06	7.15
Jaiprakash Gayatri Joint Venture	0.01	5.66	-	(0.55)
Gayatri ECI Joint Venture	1.68	1,275.46	3.17	90.90
Gayatri Ratna Joint Venture	0.01	5.37		



Gayatri - Ranjit Joint Venture	-	-	-	-
Gayatri - GDC Joint Venture	-	-	-	-
Gayatri - BCBPPL Joint Venture	0.01	7.27	-	(0.42)
Gayatri - RNS Joint Venture	-	-	-	-
Gayatri - JMC Joint Venture	-	-	-	-
MEIL-Gayatri-ZVS-ITT Consortium	-	-	-	-
Viswanath-Gayatri Joint Venture	-	-	-	-
Vishwa-Gayatri Joint Venture	-	-	-	-
GPL-RKTCPL Joint Venture	-	-	-	-
GPL-SPL Joint Venture	-	0.60	-	0.60
Maytas-Gayatri Joint Venture	(0.01)	(8.55)	(0.07)	(8.55)
Minority Interest				
Gayatri Infra Ventures Limited	996.62	1,337.66	0.58	1,695.82
Indore Dewas Tollways Limited	(896.62)	(1,203.44)	0.42	1,205.71

30.23 Figures pertaining to the subsidiary companies and Joint ventures have been reclassified wherever necessary to bring them in line with the company's financial statements.

30.24 All amounts are rounded off to nearest thousand.

30.25 Previous year figures have been regrouped wherever considered necessary.

For M O S & Associates LLP
Chartered Accountants

For and on behalf of the Board

S.V.C.Reddy
Partner

T. INDIRA SUBBARAMI REDDY
Chairperson

T.V.SANDEEP KUMAR REDDY
Managing Director

Place : Hyderabad
Date:30th May 2016

P.SREEDHAR BABU
Chief Financial Officer

I.V.LAKSHMI
Company Secretary &
Compliance Officer

